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Arms Negotiator Karpov on Treaties, Disarmament

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[Interview with V.P. Karpov, deputy foreign minister, by Vladimir Pasko, from the "Point of View" program—live or recorded; following is a longer version of the interview with Karpov published on page 1 of the 31 May Soviet Union DAILY REPORT]

[Text] [Pasko] Good day comrades. Tomorrow, 31 May, is the last day of action within the U.S.-USSR treaty on liquidation of medium and short-range missiles.

It is hard to name an agreement in the field of arms control about which as many lofty words have been said as have been pronounced with regard to the treaty on medium- and short-range missiles, from the moment of its signing in December 1987. Unlike all the others, which merely limited the increase in nuclear confrontation, this treaty meant that the numbers of nuclear weapons were cut. The treaty was rightfully described as a breakthrough in the field of nuclear disarmament. We can say today that this breakthrough has happened. More than that, after the Paris treaty on conventional weapons in Europe, we can also say that this breakthrough was not a one-time, fortuitous, or isolated event.

European countries and the United States, as well as our country, are trying to get rid of an excess of weapons. All this has prompted us to arrange a new meeting with USSR Deputy Foreign Minister Karpov, one of the leading experts in the sphere of arms control.

Viktor Pavlovich, the report on the progress of negotiations on arms control evokes many questions. The first question I would like to ask you is about the progress of talks in Vienna and Geneva. Can one expect new breakthroughs in curbing the arms race in the near future? If the answer is yes, then in what directions?

[Karpov] As for Vienna, one must recognize the fact that currently, the center of gravity is not one on negotiations themselves, on their next stage, but the implementation of the Paris treaty on conventional weapons in Europe, which was concluded as a result of the Vienna talks. Differences emerged between our country and other participants of the treaty with regard to Article 3, namely, what is covered by the treaty and what is not. In particular, a question has come up about the armament of the marines of the Soviet Union as part of those ground forces which, in the opinion of others involved in the treaty, should be included in the total balance. There is now a possibility of removing this disagreement, and I think that the forthcoming meeting in Lisbon between the USSR minister of foreign affairs and the U.S. secretary of state will be the very forum at which it will be possible to find mutual understanding with the United States, and then with other signatories of the treaty. The solution of this question will, as it were, clear away the obstructions that have come up on the road to progress at the Vienna talks, and on the road of talks on strategic offensive weapons.

There is currently a break in the Vienna talks, but one can say that when talks are resumed, the main attention will be devoted to issues of cuts in the personnel of armed forces of the European states—which are taking place in negotiations—on the one hand, and confidence-building measures on the other, the next stage in confidence-building between 34 participants of the pan-European process. This is the European area. As for strategic offensive weapons, until recently the failure to agree on some questions connected with the fulfillment of the conventional weapons treaty in actual fact led to the talks being drawn out in Geneva by the U.S. side.

Now in connection with progress in solving issues of conventional arms, we have seen progress there, too—movement toward stepping it up. A qualititively and quantitively good start has been made, and discussion now is concentrating mainly on solving questions of a technical nature. These talks could easily be completed in the next month or two, polishing off sections and putting the text—which amounts to over 700 pages; this is not a simple task either—into its final version, get it all to harmonize, and to present it to governments for confirmation.

[Pasko] Viktor Pavlovich, in diplomacy, the practice of linkage is nothing new. As far as I understand, this is one way of putting on pressure, with the aim of solving some question or another for one's own advantage, of insisting on one's own point. The question arises: does this mean that the United States has less interest than we do in this treaty, or are they here gambling on the belief that the missiles aimed toward the United States will never be launched?

[Karpov] In 1971 a treaty was concluded between us on preventing nuclear war from starting by accident. One of the clauses in the first article was precisely this: that the parties have the obligation to take all the necessary measures to see that, (?God forbid), no missile should be launched without the sanction of the leadership. The leadership takes as its starting point the fact that there must not be a war between the United States and the Soviet Union, neither nuclear nor conventional. We agreed on this at the very highest level. Now we are talking about how, at the talks on strategic weapons, we are to guarantee a balance of force and of interests of both sides, such that the very stimulus to increase the number of weapons, to increase their destructive force, and of course to use them, should be ruled out. That is the main idea.

[Pasko] So you rule out the idea that there is some linkage?

[Karpov] There is a linkage, but linkage based not on the fact that the United States has less interest in solving these questions, but a (?statistical) linkage, because the main thing—and here you can understand the interest of the United States and other Western countries—their main interest is to limit conventional armed forces in Europe. Why? Because in Europe, since the end of World War II in its very center, there was the huge armored tank fist of the Soviet Army, which hung over the whole of western Europe. The elimination of this fist, which in essence is an offensive one, is the main interest of the Europeans in discussing the questions of conventional weapons.

We have now started getting rid of this fist. But we are being forced to do this by objective conditions: the unification of Germany, the new spirit in the countries in Eastern Europe, their withdrawal, in fact, from the Warsaw Pact—and indeed since 1 April the military organization of the Warsaw Pact has no longer existed. All these new factors must be taken into account by us, and we are doing so.

The West sensed that we can come to common agreements with regard to conventional weapons cuts, both on the part of NATO, and on the part of the Soviet Union and countries of eastern Europe which would lead to a more stable Europe, which could actually ensure a situation in the future whereby neither the West nor the East can use their armed forces to start a wide-scale offensive. With this in view one can understand why the West is so interested in implementing this aspect of negotiations first and foremost. We are also interested. You see, we cannot afford to keep the army we have had so far. We must ensure our security in some other ways, based on accords on setting up a system of collective security in Europe, through bilateral agreements with European countries, which would also lead to the improvement of the security system in Europe. Economic integration should also guarantee that there would be no return to a hostile bipolar, so to speak, peace in Europe.

This is where we see the linkage—which exists even objectively—that was used by the West to hold back the question of strategic weapons until the questions on conventional ones had been solved.

[Pasko] We have removed the abcess existing in the ground forces in Europe, but an imbalance remains in the Navy. What is to happen here?

[Karpov] In proportion, as the ground forces are reduced, the role of naval forces of course increases, and the role of the U.S. forces, the Navy first and foremost, as the largest, increases accordingly.

But let us look at the role and aims that the Americans themselves attribute to their naval forces. The United States is integrated into the world economy far more than we are. They have economic interests in many areas of the world. The lines of communication, of sea transport routes, are one of the most vulnerable elements of the U.S. economy. If the sea supply routes to the United States are out, the U.S. economy could suffocate. So the U.S. Navy, to a great extent, is oriented toward that, toward protecting the interests of the United States in the Third World, and defending its lines of communication. One example is the Persian Gulf, where indeed the U.S. Navy played one of the main roles in that conflict. We will continue our efforts to bring the West into the talks on naval armaments, too, in order to remove some elements that are characteristic of naval forces now, which could threaten peace. First and foremost this means the existence of nuclear weapons, tactical nuclear weapons, on board ships.

We recently proposed such talks to the United States. It is true that their attitude to this was not enthusiastic, but we are ready to remove all tactical nuclear weapons from the navies of the United States and of the Soviet Union, and then to bring in other countries to take part in an agreement of this sort.

With such a measure it would be possible to reduce very greatly the military power of the fleets, which is now a factor in the balance of forces between the USSR and the West. So we will continue our policy here, but it must be said that already now, in connection with the conclusion of the treaty on conventional weapons, interest in increasing the capacity of fleets is decreasing. The United States has already sketched out a reduction in their program for reequipping their fleet. They will cut down the number of naval ships, too. So regardless of the talks, these processes have started unilaterally. I think that in the future we will manage to start talks and solve the issue of cutting fleets on a treaty basis.

[Pasko] Viktor Pavlovich, on the subject of the talks on arms control now being conducted, one cannot leave out what is happening with chemical weapons—all the more so as here, it seems to me, in literally the last week, new events have taken place. I mean changes in the position of the United States with regard to the question of eliminating their chemical arsenal.

[Karpov] Yes. I think that the statement of President Bush on chemical arms that you are talking about really is a serious step by the U.S. Administration, a step that could now make the talks on concluding an all-embracing convention on the elimination of chemical weapons easier. The fact that the United States has abandoned its demand to keep 500 tonnes of chemical weapons until all other states had destroyed their chemical weapons is a positive step. It lifts the fears of many of those taking part in the talks that the United States wanted to keep a chemical weapons potential regardless of whether there is or is not a convention. So this is a correct step. There remains now really one more element, where the United States should, in our opinion, show an initiative. This is the question of inspection. On this question the Soviet Union, Great Britain, and other countries take a wider-ranging, I would say, position—readiness for a wider range of inspection, inspection without refusal. Here the United States is wavering. They are hedging somewhat. If this hedging disappears, it will be possible to presume that progress in Geneva will become significantly easier.

[Pasko] Viktor Pavlovich, the question of the change in NATO strategy is very interesting. This issue is currently being discussed. There have been no conclusions, but what possibilities do you see opening up here for us, proceeding from what has been said about the new NATO strategy in the post-confrontation period?

[Karpov] I think that the phenomena which could be currently observed in NATO's activities, starting with last year's NATO Council session in London, give us grounds to believe that this process of the revision, so to speak, of the strategy, will not cease. It will continue. It all started with the USSR's announcement of its new defensive doctrine—a tendency toward developing a new strategy, a strategy of nonconfrontation, a defensive strategy. With regard to this I think that the seminar on issues of military doctrine which took place at the beginning of this year, with NATO and the Warsaw Pact countries participating, provided an additional impetus for developing positions in this regard. I think that the treaty on conventional weapons in Europe is currently a powerful factor in favor of the revision of NATO strategy, and that emphasis on nuclear weapons, which has always been present in NATO strategy, is superfluous, so to speak, in present conditions.

One cannot count on nuclear weapons to the same extent as a counterbalance to the superiority of the Soviet Union in conventional weapons, when this superiority no longer exists. That is to say, there is a need for reconsideration. In this respect the Soviet Union's readiness—and we have already informed NATO of our readiness—to discuss what could be considered by the NATO as a minimum nuclear (?deterrence) is also one of the questions which, in future discussions between NATO and the Warsaw Pact, could help in NATO's future rethink of its strategy. It seems to me nevertheless that this strategy, though it remains basically a strategy of deterrence, including nuclear deterrence, in its gradual transformation makes it possible to hope that there will indeed be a transition from the confrontation of the above-mentioned doctrine between NATO and the Warsaw Pact to a doctrine of cooperation between two alliances, or between NATO and the Soviet Union, in the business of constructing a new European security system. In this regard it seems to me that the NATO structures, which are quite widespread, and which make it possible to function efficiently not only as a military machine but also as a political instrument for consultations, could be used, should the situation develop favorably, also as one of the instruments for constructing a new system of European security.

[Pasko] Speaking about negotiations on disarmament, we would like to see the possibilities of reductions of arms expenditure, so that they do not amount to 18 percent of gross national product, according to our press, and that this expenditure is brought down to the level maintained in the West in the 1 to 6 percent bracket. What, in your opinion, are the possibilities of our military spending being reduced to such a level?

[Karpov] I think this will depend on the progress of implementation of treaties, first and foremost, on conventional weapons, and then on strategic forces. Possibilities of reducing military spending will also depend on the general atmosphere of relations between the West and the East, since there must be guarantees that there will be no revival of the cold war and that there will be no return by NATO to the doctrine of aggression. There are many factors here. I think that one can say already that the tendency toward the reduction of military spending has begun.

Even in the current fiscal year the United States has cut its military buget, and they intend to make systematic reductions in their military budget in the next five years. So a trend in this regard has already begun.

We have in mind consultations between NATO and the Soviet Union with regard to military budgets. Such a conference, or seminar, is meeting in Brussels on 12 June, attended by our specialists and ones from NATO, and it will analyze the military budgets and methodology and compare military budgets. This will make it possible for us to raise more actively in the future the question of cutting military spending in both the NATO countries and our own, when we are going along the path of cutting the armed forces of NATO and the Soviet Union.

[Pasko] Viktor Pavlovich, its own interests lie at the basis of the policy of any state. Of course we would like to peer ahead, into the future, and see how things will progress with us and the United States, and the West as a whole, in the area of disarmament. How far do the interests of the United States and of the West now coincide with our own?

[Karpov] Well, I think that first of all we and the United States, and the West as a whole, have a common interest in maintaining stability in the world, and ruling out the sort of crisis phenomena that could threaten peace. It was for precisely this reason that the crisis in the Persian Gulf aroused such a unanimous reaction from both the West and from us. This crisis situation, and the methods that were found to solve it, in the framework of the United Nations, are indicative of the fact that the interests of preserving stability in the world, of excluding dangerous crises fraught with the threat of war, is a common interest, ours and the West's.

This interest dictates new factors in cooperation, too—for example, in the military sphere, between the United States and the Soviet Union. We have an agreement on averting dangerous military activity by the armed forces of the United States and Soviet Union that could give rise to incidents. We intend to develop our cooperation through our general staffs, and through our armed forces as a whole, so that our military men should know each other better, be able to understand what is happening in the United States and—vice versa—what is happening in the Soviet Union. This process has started. We have a common interest in preserving peace and security. This is probably the main thing.

As for disagreements, of course we do have such disagreements. They are there as a result of objective causes. In some places—in third countries—they even clash. But it must be said that recently the main spring, I would call it, has been removed: the thing that pushed both the United States and the Soviet Union into contradiction, into confrontation. This is ideology. After all, previously we used to take our ideological positions as a starting point. The United States was the citadel of imperialism, and the Soviet Union was the bulwark of socialism, and confrontation between the two was inevitable. Now we have abandoned this ideological position, and really we no longer regard the United States as some sort of ideological opponent. The United States, too, now takes as its starting point the fact that there is no point in getting involved in ideological confrontation. Achieving normal interstate relations, normal economic relations, is the factor that makes it possible to remove the extraneous baggage that used to exist in our relations with the United States, and with other countries of the West, too.

[Pasko] Both the Western press and some of our publications have been noting that Soviet-U.S. relations have experienced a period of stagnation over recent months. It was explained by the fact that the situation in the Soviet Union is not clear to Americans. A question arises here about the link between the progress in the sphere of disarmament and the situation in our country. How strong is the influence of the situation in our country on the progress of talks, from your point of view, the person who is directly involved in talks daily?

[Karpov] There is of course a direct link between the two. The West closely watches the development of the situation in the Soviet Union, and notes the slightest nuances of changes in any direction. The period of uncertainty you mentioned did not remain unnoticed in the West. I think that it is this uncertainty, and the uncertainty from their point of view of the position of the president of the Soviet Union, that showed. Their question, and which they kept asking us, was whether Gorbachev has the necessary powers to conclude treaties and ensure their implementation. At present, I think the situation has changed. I think that the Nine plus One statement that was recently achieved can be a crucial moment in the development of our own interpolitical situation. The West, I think, assesses it exactly the same way. So one can count on animation—of contacts, animation of talks—though I think there is still an element of waiting to see whether Gorbachev will succeed in stabilizing the situation in the country. This is a very serious factor, which is taken into account in the West.

[Pasko] That is to say, our foreign affairs now are being decided more here, inside the country?

[Karpov] Well, I would put it like this, that there is an objective relationship. On the one hand our foreign policy gives us the chance to ensure the backup as far as our internal life is concerned, and on the other hand a stable situation inside the country ensures the backup which is essential for foreign policy. That is the interconnection between them. It has objectively always existed, and we cannot get away from it.

[Pasko] Thank you very much.

TASS Cites Bush on Arms Control Progress

LD0206095891 Moscow TASS in English 0926 GMT 2 Jun 91

[By TASS correspondent Stanislav Lunev]

[Text] Washington June 2 TASS—The resolving of differences between the United States and the Soviet Union on the Conventional Forces in Europe (CFE) treaty is an important step towards a superpower summit, President George Bush said in an address to the graduating class of West Point, the Army's academy, on Saturday.

He highly appreciated the talks in Lisbon between Soviet Foreign Minister Aleksandr Bessmertnykh and U.S. Secretary of State James Baker, during which a wide range of issues, including arms control, were discussed.

Later, the President told reporters aboard Air Force One that the U.S.-Soviet work in Lisbon was important for both world peace and for the entire spectrum of Soviet-U.S. relations.

Touching upon the preparation of a Soviet-U.S. treaty on reducing and limiting strategic offensive arms, known as START, Bush noted very close positions of the negotiating sides and that he intended to tell his negotiators to "lean forward as far as possible." He said he understood Gorbachev had told his team the same.

"We have seen that we can overcome difficulties. Our experts now can go forward and I can assure the Soviets that I will instruct our experts to lean forward as far as possible and I think, as I remember, he told me the same thing," Bush said.

He voiced hope that the START treaty would be signed during the forthcoming summit.

Bessmertnykh Interviewed on Current Issues

PM0306094191 Lisbon EXPRESSO in Portuguese 25 May 91 pp B1, B24

[Interview with Foreign Minister Aleksandr Bessmertnykh by Luisa Meireles; place, date not given]

[Excerpt] [passage omitted] [Meireles] A regional conflict as protracted as that in Angola seems about to end. How do you evaluate that achievement?

[Bessmertnykh] The signing in Lisbon of the accords on Angola creates a real prospect for establishing peace in that country. This is a historic event, both for Angola and for the whole of southern Africa, and I am convinced that it will also influence the resolution of other conflicts on the continent. This radical turnabout in the peacemaking process in Angola became possible in the first place because the Angolan Government and the opposition leaders realized that the fratricidal war had reached a deadlock, and they had to courage to advance toward agreements based on reason and the Angolan people's highest interest. I especially wish to highlight the active contribution made by Portuguese diplomacy, whose mediation efforts helped the negotiating process move forward and created a necessary atmosphere of trust and mutual understanding. We also pay due tribute to the U.S. delegation, in their capacity as observers, for their constructive work in the talks together with our representatives.

[Meireles] What will the Soviet Government's stance be if the United States continues to support the National Union for the Total Independence of Angola financially and militarily after the accords are signed? Will the USSR support the Angolan Government?

[Bessmertnykh] I would not like to forecast hypothetical developments. In real politics it is better to base ourselves on the facts. The USSR and the United States have accumulated considerable experience in conflict situations, including in Africa. The Soviet Union will scrupulously honor its commitments stemming from the cease-fire agreement and starts from the principle that the United States will also end its arms supplies. We already have a very clear agreement on this matter. We are also prepared to appeal to third countries, together with the United States, to this effect.

[Meireles] What is the Soviet Government's stance on Angola's debt and ways to repay it?

[Bessmertnykh] The matter of regulating the debt is indeed on the agenda of bilateral relations between the Soviet Union and Angola. We are seeking mutually acceptable ways with the Angolan Government, and I am convinced that the most favorable conditions for seeking a solution will be created with the establishment of peace and the normalization of economic activity in Angola. The Soviet Union's general attitude toward the problem of the developing countries' debts is well known: We favor international agreement on the basic principles for their regulation.

Peace in Middle East: Optimism and Uncertainties

[Meireles] What are the prospects for a peaceful solution for the Middle East?

[Bessmertnykh] My recent visit to the Middle East showed that all the parties directly involved in the conflict realize that the present time is the most favorable in the past two decades for finding a solution for a chronic and apparently deadlocked situation. Paradoxically, this is given impetus by the lessons of the Gulf crisis, following which world public opinion's attention has been focused precisely on the problem of the Middle East.

The parties directly concerned realize that if this opportunity is lost, it could exacerbate the situation and cause a dangerous escalation of the arms race. The distinctive feature of the current attempts to extricate the settlement process from its deadlock lies in the fact that this time the USSR and the United States are acting in concert. Since the Soviet-U.S. joint declaration on the Persian Gulf and the Middle East in January, I have maintained very close contact with James Baker. Over the past few months I have discussed diplomatic and political nuances with him repeatedly and in detail. The agreement reached in Kislovodsk, in which it was stipulated that the USSR and the United States would be cosponsors of the Middle East peace conference, was of crucial importance. Nor was it a coincidence that Baker and I visited the region at the beginning of May. When we met in Cairo, we considered dates for holding the conference. As a result of many contacts by the Soviet and U.S. sides with the Arab countries, the Palestinians, and Israel, we succeeded in working out a certain common denominator, even if some issues of substantial importance remain open. The results of my visit to the Middle East enable me to maintain a certain optimism about the prospects for settlement and the possibility of starting the process through holding the peace conference, even if this optimism does not go so far as to become certainty, since the outstanding obstacles are quite serious. I am certain of one thing: There are grounds for continuing to work hard, without wasting time.

[Meireles] What is the USSR's stance on setting up an independent state in Kurdistan?

[Bessmertnykh] As is well known, the Kurds are concentrated in several states in the Middle and Near East, surrounded by other peoples with whom they have historical ties. We proceed from recognition of the right of each people—including, of course, the Kurds—to preserve their individuality, language, and culture, and right to live in decent socioeconomic conditions and to enjoy democratic freedoms. It is obvious that defining the ways in which these rights are implemented falls within the sphere of each state's sovereignty. It is important that issues of this kind be resolved by peaceful and democratic means. In our opinion, the Kurds themselves and virtually all the Kurdish political parties do not espouse the slogan of setting up a Kurdish state. And it is impossible to imagine that anybody could gain anything from a revision of the political map of this vast region, with the breaching of many borders—which, of course, would sow the seeds of future conflicts.

Trust in West

[Meireles] At a time when there are still those in the USSR who maintain that the cold War is not over, and when the West fears the regaining of power by Soviet "conservatives," what is the state of your country's relations with the West?

[Bessmertnykh] I believe that nobody doubts that the cold war is over, since the considerable qualitative changes in East-West relations are obvious. There is concern, however, that without a solicitous attitude toward the gains of the new thinking, certain throwbacks to the cold war and other primitive stereotypes may be possible.

A trend toward normalization of the situation has evidently taken shape in our country, and this should deprive even the most inveterate polemicists of pretexts for talking about the "conservatives'" ascendancy or for having recourse to other hackneyed theories like that. Our relations with the Western countries have quite sound foundations and good short- and long-term prospects. In this respect we are prepared for joint action and cooperation in the most diverse fields. We seek dialogue both on a bilateral basis and also with multilateral associations and organizations. The Soviet Union does not view itself as detached from pan-European and world civilization or from their respective institutions.

[Meireles] Did the Gulf war change anything in the atmosphere of relations between the USSR and the United States?

[Bessmertnykh] We were in contact, including within the UN Security Council framework; and the very fact that we succeeded in emerging from all the highly complex political and diplomatic vicissitudes of that dramatic crisis without in general disturbing harmony confirms that a stable and quite favorable atmosphere has been created in Soviet-U.S. relations.

[Meireles] With what dates in mind is the Soviet-U.S. summit being prepared?

[Bessmertnykh] The essential point lies not in the dates but in the fact that the sides are aiming at a substantive and full-scale summit. This was recently reaffirmed in the course of a telephone conversation between Presidents Mikhail Gorbachev and George Bush.

IZVESTIYA Continues KAL Downing Probe

91UF0810A Moscow IZVESTIYA in Russian 29 May 91 Union Edition p 7

["IZVESTIYA Investigation, Part Two" by Andrey Illesh: "Mystery of the Korean Boeing-747"; twelfth article in the current series]

[Text]

XII.

Our investigation has already brought up a sufficient number of questions regarding how events were unfolding in the sky over Sakhalin. Can we now sum it up to some extent? Yes, we have found the keys to some mysteries. The situation in regard to the very beginning of the tragedy turned out to be more complicated—in the sense of getting reliable information on exactly what was happening that night over Kamchatka. Here, as well, however, we are beginning to see the "sky" through the "clouds"...

Captain Second Rank V. Sorokin, assistant operational duty officer of the Pacific Fleet in charge of control over civilian shipping says:

"I happened to be on duty on the exact day the South Korean aircraft was making its last flight in Far Eastern airspace. I remember the agitation that reigned at the command post during those days. The entry that was made by the operations officers of the Kamchatka flotilla is stuck in my memory. It contained these words: Received the order to shoot down the intruder plane, it said, but it got away... Afterward we made quite a bit of fun of this "unlucky marksman" entry. In general, I must tell you: I came across so much confusion in those days!.. And the reports that were coming to us! One said one thing, another something different...

"Did you know from the reports that the intruder was a passenger aircraft?"

"The reports—in any case, those that I had a chance to see or that I heard of—said nothing about it. Everybody simply called it an intruder aircraft. I do not think that it even occurred to anybody that the aircraft out there had passengers on board. Usually, it was American military reconnaissance planes that were flying in that area. Everybody got used to them. They were expected. Another kind of aircraft was not expected..."

"For how long was your work related to the Boeing?"

"For quite a while: In the days that followed, I was busy tracking the cargo that was being shipped by rail."

"What kind of cargo?"

"The cargo that went by rail were trawls and everything else needed in the search for the downed aircraft. I remember: When the aircraft was found, many people said that now we could show to the whole world what kind of large-scale operation had been conceived by the

Western special services! But then all of a sudden everybody fell silent, as if they had been struck dumb."

Says Lieutenant Colonel (Reserve) Ivan K-ts:

"During the South Korean Boeing epic, I was chief of a PVO [Air Defense] command post on Sakhalin. But to understand what was happening at that time at our command posts, one has to know the preceding history, which is this:

"...In April, the American Air Force violated our state border in the Kuril Ridge area. My operational duty officer Vladimir Yuzvak gave an order for the intercept, but the fighters could not take off from the Kurils because of the foul weather. To send interceptors from other airfields without external fuel tanks was not possible: They would not have made it there, and the task would remain unfulfilled anyway. Despite these seemingly objective reasons for our noninterference, however, this incident cost many people their careers. For instance, General N. Kremenchuk, commander of the local PVO, was transferred to another job. Ostensibly for 'disorder in units and subunits.' After the Boeing tragedy, though, he was able to restore his position and to regain the pace of his career advancement. But this happened after he spent some time being present at Ogarkov's press conferences related to our official explanations of the KAL-007 incident.

"That is why (having behind us a 'successful' penetration of an American into our airspace!) we were in such a determined mood: The Boeing had to be destroyed.

"On the night of 31 August to 1 September, V. Ponomarev was operational duty officer on Sakhalin. After the intruder aircraft transited Kamchatka and disappeared from the screens, we plugged in additional resources. When he was over the Sea of Okhotsk, he was picked up again by the Sakhalin station Oborona. Condition One readiness was declared. Fighters were waiting for an order to take off at two airfields.

"The first pair that took off from Smirnykh airfield approached the Boeing when it was still dark. The pilots were unable to determine what kind of a target was out there. There is a rule, according to which it is forbidden to come closer than 50 km to a foreign aircraft in flight over neutral waters. (I personally do not believe that this rule is strictly complied with. When it is necessary, these aircraft are approached at quite close distance. Both we and others do this—there are hundreds of instances to prove that.—Author) By then they were running out of fuel, so this pair was guided to the landing in Yuzhno-Sakhalinsk. Our own—military—airfield was by then closed because of the fog.

"At the same time, a replacement pair took off from Sokol: an Su-15 and a MiG-23. One of these fighters was piloted by Gennadiy Osipovich. If memory serves, he was not able to identify the target precisely, either. He said: 'There is a big "cow" flying.' That is all.

"In your opinion, who made the decision to destroy the target?"

"The new formation commander who had replaced General Kremenchuk. He reported all of this to Military District Commander Tretyak, and gave the order to the Air Force division commander: 'Destroy the target!' The latter, in turn, gave an order to the commander of the company that was stationed at Sokol airfield. The latter passed the order to Senior Lieutenant Borisov, the navigator who directed from the ground—from the airfield—Gennadiy Osipovich's flight."

From a conversation with a military reporter:

"I know for certain that nobody actually pursued the South Korean aircraft over Kamchatka. There was no intercept in progress at all: The pilots were not able to scramble up fast. Time was lost. The intruder aircraft got away. Afterward they speculated that after such 'work' their superiors would start an inquiry, and that some would be disciplined. But—nothing of the kind! And here is why: The Boeing was shot down over Sakhalin, after all. Because of the reverberations around the world in connection with this, the top brass put the inquiry on a back burner. But this is not the main reason. As an acquaintance of mine—a PVO Troops general—told me, Andropov personally followed the development of the incident in the sky over Sakhalin. It was at his initiative that a Law on the State Border had been adopted shortly before that. Andropov was satisfied with the fact that the law had been enforced: The intruder aircraft had been shot down. As to details and 'snags' in the process of destroying the 'intruder,' they were no longer of interest to anybody... As they say, one does not criticize a winner. This is more or less the explanation of the fact that the pilots and the PVO personnel who had committed this gross error have never been disciplined..." my colleague finished his tale.

Now the following also becomes clear: Probably, the pilot named Kazmin—who ostensibly was moving to intercept the Boeing over Kamchatka and even tried to warn the foreigner that he had gotten into a wrong area—does not exist. Does not exist at all! He is a myth, a phantom... And there were not one, but... six interceptors.

One thing at a time, though.

A rear admiral in the reserves (this military officer forbade us to use his name) told us about the South Korean aircraft flight over Kamchatka:

"Kamchatka always attracted the Americans' attention. This is not surprising: In case of war, this region would be extremely important strategically. Therefore we felt the American presence every day. As a rule, two or three aircraft carriers would approach the Commodore Islands. Their aircraft would take off and head in our direction. Having reached Kamchatka, they would turn around and head back... There was this constant war of nerves...

"That evening—31 August—I was at the combat post. I knew and I saw what was happening. At first nobody paid any particular attention that one large target was illuminated on the screen. Then another one approached it. Everybody assumed that it was a reconnaissance plane being approached by a refueling plane. We watched as the aircraft started to move in a 'boxed' pattern. Soon the targets separated. But the one that was assumed to be a refueling plane suddenly went south instead of north! We were surprised. But—no more than that... Then the 'refueling plane' started flying along the international flight path, while the 'reconnaissance plane' stayed in the observation area. I must admit that even then the situation did not alarm anybody—it was quite ordinary. But soon the main events started to happen: The target suddenly disappeared from the radar altogether! The operational officer got frantic. He decided that something was broken somewhere and started calling the posts. They report: Everything is in order! But time was lost on these conversations. It was lost irretrievably...

"I think the aircraft disappeared from the screen because—and it was the KAL-007—it descended sharply and entered the zone below our radar coverage. I think he was flying this way deliberately. His altitude was about 3 km." (Other than the word of this formerly high-ranking military officer, no other data corroborates this 'maneuver' on the part of the Boeing-747. Neither the IZVESTIYA investigation, nor, as far as I know, other international experts' data. Therefore, the vindication of the PVO actions and persistent repetition of the "proof" of the passenger aircraft's spy mission is entirely on the conscience of this military officer we interviewed.—Author)

"The Boeing was picked up again only when it reached Kronotskiy Preserve (This is in the central part of Kamchatka Peninsula.—Author). There is a volcanic ridge there," continued the admiral. "So, the Korean had to gain altitude again in order to avoid crashing into it.

"At the same time the operational duty officer (just in case) sounded a training alarm. A pair of interceptors took off. But they went in the direction of the ocean, in the direction of the east coast. The target, however, was at the same time moving west. The interceptors acted in accordance with a regular routine: Intruders were always expected to come from the east. While the interceptors were making a turn, the Boeing moved into the shadow zone: The volcanoes create such a zone for the PVO. Guiding the interceptors immediately became very difficult: A lock is lost behind the volcanic ridge. Therefore, a lock-on coming out of the turn had not worked.

"Then another pair of interceptors was raised on the tail of the first. But the intruder was already on Kamchatka's west coast. The first pair of interceptors ran out of fuel. Meanwhile, the Boeing was smugly moving into the Sea of Okhotsk. The second pair of interceptors could not catch up with it, either... The situation was saved (This is exactly **the expression the admiral used: saved.**—Author) by Sakhalin pilot Osipovich in his Su-15. This is, schematically speaking, the story..."

It should be noted that the rear admiral does relate the story in a very schematic fashion, ignoring many details. Among such "details" is the take-off of the third (!) pair of interceptors that buzzed the Boeing at the time it was leaving Kamchatka. Therefore, even more important remains the question: Was the type of the intruder plane established?

Reports that appeared in the SIBIRSKAYA GAZETA (after IZVESTIYA publications) permit the reconstruction of the chronology of events. Aleksey Kretinin—the author of the article "A Tragedy or a Crime?"—had served in the PVO troops on Kamchatka and had conducted his own investigation. His data generally coincide with that which IZVESTIYA correspondents managed to obtain; nor does the interview with the rear admiral quoted above contradict the facts unearthed by the private.

So, the aircraft that was mistaken for a refueling plane showed up on radar screens at 4:59 [am or pm not specified] local time; on the PVO operational maps this aircraft was assigned number 6065. At 5:25 Target 6065 approached the border; PVO controllers were certain that it would stop short of a violation—as a rule, American reconnaissance planes turned around several minutes before they reached the border and went home. This time everything was happening differently, and officers on duty simply got caught by surprise. It is probably their state of confusion that led to the situation that the first pair of interceptors could not even locate the intruder. These interceptors returned to the airfield with practically empty fuel tanks—the rear admiral mentioned that.

At 5:33 local time, the aircraft violated the border. On order, another pair of interceptors took off. But this sortie also was unsuccessful: Right after crossing the border the intruder disappeared from the radar screens. He reappeared on the screens only 13 minutes later. During the last minutes the plane was visible on the screens of the Kamchatka PVO posts, it was tracked by a third pair of interceptors.

To the degree it is possible to judge by fragmentary information, this last pair of interceptors—unlike the previous ones—did "meet" with the Boeing; at least, it buzzed it at such a distance that the type of the aircraft had to be established.

We cannot say categorically that this is exactly the way it happened. But we can say with a great degree of probability that it **could have happened this way...**

...An interesting picture emerges: Matthias Rust could not be "established" because the German boy was flying a small plane, low and slow. The "jumbo"—the Boeing-747 that at that time was the largest aircraft in civil aviation—did not lend itself to identification because the Korean aircraft was flying high and fast. In the former case, the incident took place in broad daylight, in the latter—in the middle of the night. I wonder: What kind of aircraft, at what time of day, "fits" into the "work" of our glorious PVO and aviators? But this is just in passing. The main point is in something else.

It is absolutely clear now that at no stage of the flight over Soviet territory or in our airspace was the task seriously formulated to determine who was flying out there. Neither the fighter pilot Gennadiy Osipovich, nor a single (!) one of the multitude of ground stations made an attempt (in more than two hours!) to communicate with the KAL-007 on the international frequency or to inquire—with the Americans or the Japanese (the nearest countries)—whose craft was flying in our sky?.. Thus, a very sad, but, alas, **the only possible conclusion: The KAL-007 was doomed.** Just as any other passenger aircraft would have been doomed, had it appeared at that time in our Far Eastern sky.

I will tell why I came to this conclusion in the concluding material of the second part of IZVESTIYA's investigation.

KGB Chief on 1978 Korean Airliner Downing

LD0106020991 Moscow TASS in English 0759 GMT 31 May 91

[By TASS correspondent Vladimir Zlobin]

[Text] Petrozavodsk May 31 TASS—Thirteen years after the downing of a South Korean airliner in Soviet air space, the KGB has revealed details about the incident.

At the request of local journalists KGB Chief Vladimir Kryuchkov provided them with secret documents about the shooting down of the Boeing 707 plane in the skies over Karelia on the night of April 20, 1978.

The South Korean airliner with more than a hundred passengers on board, took off from Orly airport in Paris and headed for Osaka via Alaska-Seoul-Tokyo.

It lost its course and was flying over the Barents Sea, near the Soviet border.

A Soviet Air Force fighter plane piloted by Captain Aleksandr Bosov scrambled to intercept it. Due to heavy clouds Bosov failed to identify who the Boeing belonged to.

Bosov was ordered to force the unidentified aircraft down.

"Following the order, I repeatedly closed in on the Boeing for 12-13 minutes and made internationally-accepted signals, ordering it to land—I waved the wings, 'gestured' downwards with my fighter plane's fuselage," Bosov remembers.

"The Boeing crew did not respond. I believe they could not but notice my signals," he said.

The Boeing's pilot Kim Chang-kyu insisted to KGB investigators that he did not notice any signals by the fighter plane.

Meanwhile, the Korean airliner flew deeper into Soviet air space. Bosov was ordered to shoot the plane down.

Bosov still hoped to force the plane to land. He fired a missile at the Boeing's wing, destroying much of it.

The airliner made an emergency landing on the ice-covered Lake Korpiyarviy near the city of Kem, after trying to find a suitable landing site for one and a half hours.

Two passengers were killed.

A day later the surviving passengers were flown home. Soviet authorities dropped charges against crew members for air space violations and they were expelled from the Soviet Union. The plane was cut into pieces and scrapped.

New Concept for Revamped NATO Analyzed

PM0306092791 Moscow KRASNAYA ZVEZDA in Russian 24 May 91 First Edition p3

[Commentary by Captain S. Sidorov, KRASNAYA ZVEZDA international observer, under "The World Today: Problems and Opinions" rubric: "Is NATO Changing?"]

[Text] At the London session of the NATO Council in last July, the NATO heads of state and government decided on the need to revise the alliance's strategic concept as a result of the changes in the Soviet Union and East Europe. Indeed, as the East-West conflict has run its course, NATO—a product of the era of confrontation—cannot remain as it was. Also obvious to members of the alliance was the fact that the Soviet Union could agree to a united Germany's joining NATO if it were a new organization fundamentally different from the bloc knocked together more than 40 years ago for blatantly anti-Soviet purposes. Finally, keeping NATO as it was—particularly after the disbandment of the Warsaw Pact's military structures—could undermine the trust that had begun to be established in relations between the USSR and the NATO countries.

Until recently, discussion of reform of NATO was limited to this. But then, just a few days ago, it was reported that NATO experts have completed their work on the draft document "The Strategic Concept of the Alliance." It will be submitted for discussion to the NATO Military Planning Committee at the end of this month and to the next NATO Council session in November.

It appears from statements by the alliance's top leaders that, in general outline, NATO's new strategy will be based on fewer troops, different deployment, and more mobile formations and groupings constructed on a multinational basis. The alliance's leadership believes that in the future, armed forces will be regarded not simply as an instrument of warfare but, first and foremost, as a means of averting or deescalating crises.

The proposed structure of NATO's military formations—approved by the chiefs of general staff of the NATO member countries' armed forces—consists of the following four basic levels. **Immediate response forces.** They will be formed along the lines of the allies' mobile forces (approximately 5,000 men), some elements of which (mainly airborne) were used to cover Turkey during the war in the Persian Gulf. The NATO leadership intends them to have a "heightened level of readiness." **Rapid response forces.** According to the latest proposals of the alliance's experts, they will be represented by one army corps consisting of four divisions with a total of 50,000-72,000 men (approximately seven percent of the total strength of NATO's armed forces). **Main defense forces.** These will be the most numerous, but with a level of readiness "less high" than that of the rapid response forces. Finally, **additional forces.** In other words, the traditional backup forces from North America.

Moreover, it is planned to give permanent status to NATO's naval grouping in the Mediterranean—well-known as the "rapid response" squadron "Navocformed," which consists of ships from the naval forces of the United States, the FRG, Britain, Italy, Turkey, Greece, Spain, and Portugal.

It is still unclear which countries will assign military contingents for the multinational ground forces. The decision on this matter has yet to be taken at the political level. The method of commanding these forces has also to be determined—they will either be commanded by a "leader-state" or by various states on an alternate basis. All that is known is that Britain has proposed to take command of the rapid response forces and that the headquarters of these forces will be in Germany.

It is still hard to get a complete picture of NATO's new strategic concept, which is intended to replace the strategies of "forward defense" and "flexible response." It does not even have a name yet, but I believe it is possible to judge its general thrust.

According to General John Galvin, supreme commander in chief of NATO forces in Europe, the revision of the bloc's strategy reflects the desire to give real form to NATO's statement that it no longer regards the Soviet Union as an adversary. Addressing a confidential briefing for permanent representatives of the NATO member countries attached to the alliance's staff headquarters, Galvin even outlined his plan for military cooperation with the Soviet Union.

According to THE WALL STREET JOURNAL, the supreme commander in chief proposed that officers from the Soviet Union and East European countries be given access to NATO schools in Oberammergau, which hitherto have been operating within a regime of the strictest secrecy. The general also proposed to "ensure and maintain communication with the Soviet military at all levels." He questioned the "wisdom of continuing the practice of past years, when ties with Moscow have been broken off whenever its conduct has displeased the West." In Galvin's view, the West must avoid actions that could be wrongly interpreted as a threat. Moreover, according to the general, the West must help the Soviets settle their internal problems.

The appeal by NATO's top military leader to "see the Soviet Union in a new light" and have a "good working relationship between NATO and the Soviet Union" can only be welcomed. The supreme commander in chief's stand shows that there are real possibilities for radically improving relations.

At the moment, however, this is closer to military-political fiction than to realism. Let us come back down to earth. The majority of observers agree that NATO's basic function, which in the past amounted to "defending Europe against Soviet attack," has been retained in the draft of the new strategic concept. We are still seen as a force that should be "counterbalanced" and perceived as the probable adversary in the event of a hypothetical change in the internal political situation in the Soviet Union. How, then, should the department that is directly responsible for the military aspects of the USSR's security relate to this central function of NATO? The question is, of course, a rhetorical one.

And what about the Soviet Union's legitimate concern over NATO's substantial superiority in naval forces, for example, which are carefully protected from talks on arms cuts? The new NATO concept does not contain any hints of possible solutions to this thorny problem. Meanwhile, NATO finds it appropriate to accuse the Soviet Union of taking measures to strengthen the defense of its coastal sectors or "reinforcing its Northern Fleet with a carrier force" because of this superiority.

The question of modernizing tactical nuclear weapons in Europe is also unclear. No one has rescinded the Anglo-American decision adopted early this year which envisioning stationing a squadron of U.S. nuclear submarines armed with Tomahawk cruise missiles—which have a range of 2,600 km in their nuclear configuration—at the Holy Loch base. It is also planned to station some 130 nuclear tactical air-to-surface missiles for F-15E aircraft in Britain. Essentially, these systems have an operational purpose, which evidences a desire to increase the strike power of nuclear systems in Europe. You get the impression that NATO headquarters has not seriously asked itself the question: Why is there a need to have nuclear weapons at all on a densely populated continent where even the use of conventional weapons could have catastrophic consequences?

So, is NATO really changing? I do not think there is an unequivocal answer to that question at present. A struggle between two trends is obviously still being waged in NATO corridors: One proposes to politicize the bloc consistently, while the other amounts to further strengthening its military role. Time will tell which will gain the upper hand. And our own bitter experience has taught us that time should not bring any surprises.

Cocom Reduces 'Blacklists' on Exports

PM3105114491 Moscow IZVESTIYA in Russian 28 May 91 Union Edition p 1

[IZVESTIYA correspondent Yu. Kovalenko report: "'Blacklists' Halved. But USSR Can Only Obtain Access to Western Technology of the Early Eighties"]

[Text] Paris—At their Paris meeting the 17 member states of the Coordinating Committee for Multilateral Export Controls [Cocom] agreed to lift some of the restrictions on shipments of advanced technology. Henceforth, in particular, the sale of U.S. Boeing-747 airliners is authorized although these cannot, admittedly, be seen as innovative.

The "blacklists" compiled by Cocom, which includes, in addition to Iceland, all the NATO countries, along with Japan and Australia, will be halved, but the Soviet Union will still be unable to obtain highly powerful computers and telecommunications systems.

"We have kept the ban on advanced technology and output derived from it in order to ensure that the considerable gulf between Western and Soviet military systems is not bridged," U.S. delegation head Allan Wendt said at the close of the Cocom meeting. He acknowledged that before the Gulf War considerable "concessions" were being contemplated on deliveries of state-of-the-art technology to the USSR. However, Cocom does not think that it is its task, A. Wendt went on to say, to restrict mutually beneficial trade, and has no intention of keeping the Soviet Union in the Stone Age.

As for Hungary, Poland, and Czechoslovakia, which have pledged not to reexport to the USSR the advanced technology that they have obtained from the West, they are henceforth to have access to virtually all innovations, whereas only output of the standard of the early eighties is allowed to be supplied to our country. As before, optical fibers for communications systems are still banned. The U.S. INTERNATIONAL HERALD TRIBUNE published in Paris attests that the U.S. National Security Agency insisted on this.

"During the Gulf War we saw for ourselves," the U.S. delegate said, "that these systems are virtually invulnerable. Ordinary old telephones are sufficient for the Russians' needs rather than state-of-the-art devices with countless accessories."

Western business circles do not hide their disappointment at Cocom's latest decisions. "After President Bush's promises last June to reduce the restrictions considerably, we expected more. But there have been too few improvements over the last year," D. Waggoner, a representative of the American Electronic Association, noted.

Washington still controls Cocom, whose restrictions affect the interests of West European companies more than U.S. companies. The ban on shipments of fiberoptics telecommunications systems is a major blow to European, primarily French, industry, which was counting on laying communications lines to Siberia itself—that is the comment passed by Paris' LIBERATION on the results of the last Cocom meeting.

United States & Canada

Baker-Bessmertnykh Talks in Lisbon Begin

Talks Start

LD0106125591 Moscow TASS in English 1243 GMT 1 Jun 91

[by correspondent Mikhail Shevtsov]

[Text] Lisbon June 1 TASS—Talks between Soviet Foreign Minister Aleksandr Bessmertnykh and U.S. Secretary of State James Baker began at the U.S. Embassy in Portugal here today. On the agenda of the meeting are problems of settlement in the Middle East, reductions in conventional forces in Europe and other issues of mutual interest.

Upon the end of this meeting, Bessmertnykh and Baker will conduct separate talks with Syrian Foreign Minister Faruq al-Shar' who arrived here.

Issues Discussed

LD0106181191 Moscow TASS International Service in Russian 1710 GMT 1 Jun 91

[Text] Lisbon, 1 Jun (TASS)—A meeting took place today between USSR Foreign Minister A.A. Bessmertnykh and U.S. Secretary of State J. Baker. The active dialogue that has been conducted between the two ministers in recent months was continued, and lasted for more than three hours.

The ministers achieved agreement in principle on the remaining issues of the Treaty on Conventional Arms in Europe. Certain technical details will continue to be worked on by Soviet and U.S. experts at the beginning of next week in Moscow.

It is the opinion of the two officials that this should make it possible to seriously begin a treaty on cutting strategic offensive weapons. The delegations will be given appropriate instructions, and high-ranking representatives of the two sides will be sent to Geneva.

The ministers expressed the hope that the rapid conclusion of preparing a treaty on strategic nuclear weapons will make it possible to hold a Moscow summit, as was agreed at the January talks in Washington.

The problems of a Near East settlement were examined in detail. The steps taken recently by the Soviet Union and the United States as co-initiators of a peace conference were assessed, and the further direction of actions in contacts with all the interested parties was planned. The ministers agreed to maintain permanent contact, proceeding from the necessity of realizing the chance for success, despite continuing difficulties.

During a discussion of issues of Soviet-U.S. economic cooperation, the secretary of state again confirmed the line of the U.S. President and Adminstration of supporting perestroyka and the economic reforms being implemented in the Soviet Union. On the Soviet side, a large-scale concept of mutually beneficial economic cooperation between the USSR and the countries of the West, in particular the "Seven", was unfolded.

The parties agreed on a joint statement on Soviet-U.S. interaction regarding the settlement of conflicts in Africa. In it the USSR and the United States underscored expressed readiness, jointly with the international community and especially with African countries and the Organization of African Unity, to try and settle armed conflicts by political methods.

After the meeting, the heads of the two states' diplomatic departments held a joint news conference. They stressed the useful and constructive nature of the dialogue that has been held, and confirmed the firm intention of the parties to activate efforts to resolve the whole complex of disarmament and other international problems. J. Baker reported that the United States will consult with its allies on the accords achieved for the Treaty on Conventional Armed Forces in Europe. "These are multilateral negotiations, he said, and we cannot speak in the name of all the participants". [quotation marks as received]

Further on Primakov Meeting With Bush

Assesses Meeting

LD3105193891 Moscow Central Television First Program Network in Russian 1800 GMT 31 May 91

[Video report including recorded interview with Yevgeniy Primakov, USSR Security Council member, in Washington on 31 May; by correspondent B. Kalyagin, from the "Vremya" newscast]

[Text] George Bush, President of the United States, received in the White House today the Soviet delegation headed by Primakov, member of the USSR Security Council. Taking part in the conversation were also: U.S. Vice President Quayle and Scowcroft, the President's national security adviser. The Soviet representatives told the President about the course of the reforms being carried out in our country, and expounded on the plan adoptyed by the USSR Government for getting the country out of the present crisis situation.

After the meeting, Comrade Primakov gave an interview for the Vremya program.

[Primakov] The meeting went well. As always, the President was in the first place informed about what is happening in our country; he thinks that major improvements really are taking place. At the same time the well-wishing that has manifested itself in previous relations and that was expressed during the numerous summits that have taken place, became apparent. All of that is now developing more and more. I think we can with a considerable degree of confidence conclude that the

United States, the administration, sympathize with the changes that are taking place in our country.

[Kalyagin] Is the U.S. side willing to expand economic cooperation with us?

[Primakov] In principle, willingness is being expressed, but I did not speak specifically on any details with respect to this.

[Kalyagin] Were political conditions put forward?

[Primakov] No political conditions were put forward during these talks.

[Kalyagin] And how do you assess your talks in Washington on the whole?

[Primakov] Positively.

Talks Said 'Frank and Businesslike'

LD0106072391 Moscow TASS in English 0658 GMT 1 Jun 91

[by correspondent Igor Makurin]

[Text] New York June 1 TASS— U.S. President George Bush, assistant to the president for National Security Affairs Brent Scowcroft and member of the Soviet Security Council Yevgeny Primakov attended a working luncheon in the White House.

During a frank and businesslike conversation, the parties discussed Soviet-U.S. relations, prospects for their development as well as important issues of integrating the Soviet economy into world economic structures and into the system of the international division of labour.

Upon the completion of the working luncheon, Primakov flew to New York to attend the final session of the 14th annual meeting of the U.S.-USSR Trade and Economic Council.

ASTEC Meeting Viewed With Optimism

LD0106082791 Moscow TASS in English 0720 GMT 1 Jun 91

[Special by Michael Feder]

[Text] Rye, New York June 1 TASS—"This has been absolutely the best annual meeting I have been to," said Richard P.McMahon of Abbott Laboratories in response to the 14th annual meeting of the American-Soviet Trade and Economic council (ASTEC), held from May 30-31 in the northern New York suburb of Rye. "The people here—American and Soviet—are dealing more openly with the issues affecting trade (than in the past)."

McMahon, who is the divisional vice president for USSR affairs for Abbott Laboratories, was one of many American and Soviet businessmen on hand for the proceedings, whose sole purpose is to facilitate business between the two countries.

A delegation of over 400 high-level trade, banking and business officials and republican and regional government leaders from all across the Soviet Union joined an equal number of American business executives to consider prospects for business cooperation under the conditions of restructuring in the USSR, the development of joint ventures, and a quest for new forms of cooperation.

The meeting focused on current issues and developments affecting the economic situation in the Soviet Union and the political and trade relationship between the two countries with particular emphasis on the decentralization of economic decision- making in the USSR and the consequent growing importance of the republics, the forthcoming convertibility of the ruble, new legislation and financial concerns.

Much attention in the meetings was devoted to political, legal and financial problems that hinder the normal development of trade- and-economic relations between the Soviet Union and the United States.

McMahon's statements were supported by the many businessmen in attendance. Andrew B.Somers, executive vice president and general counsel for the American Express Company, told TASS that, "there has been a positive exchange of ideas to increase commercial activity overall. It's been perhaps one of the most informative meetings I have been to. I've attended seven or eight (ASTEC meetings) and this is by far the best."

This improvement coincides with the increased cooperation between the Soviet Union and the United States over the past few years in the area of trade.

The council meetings come just two weeks after the Soviet parliament approved a law that will give Soviet citizens the right to travel and emigrate freely, eliminating a persistent barrier to financing aid for U.S.-Soviet deals and most-favored nation trading status for the Soviet Union in the U.S. Market. The U.S. Administration has considered the passage of such legislation a prerequisite before it would submit the bilateral U.S.-USSR trade agreement—signed during last June's Washington summit meeting—to the congress for ratification.

Management training and travel were among the recurring topics of discussion. Boris Kalendar, representing the Strategic Management Group, inc., believes that management training is essential to the Soviet Union attaining economic stability. "This is the area that would build up the infrastructure of the Soviet Union for a free-market economy," he said.

"The way to do that is to train people." Strategic Management Group, inc., who operates out of the Wharton School of Business at the University of Pennsylvania, is one of these organizations that have taken on the role of educating and training Soviets to become American-style business managers.

With all of the optimistic feelings toward the ASTEC meeting, the consensus is that much more work needs to be done before a stable and fluorishing free-market system can be attained. "The net result of all of this is that there is still a gap of expectations," said Thomas Stadnik, associate international counsel for American International Group, which is an organization with insurance interests.

"Americans would like a little more certainty in the economic environment (of the Soviet Union), and the Soviet side is anxious that there be more American investment now. "Returning from their talks on the future of U.S.-USSR economic relations with U.S. President George Bush in Washington D.C., Soviet First Deputy Prime Minister Vladimir Shcherbakov and Yevgeniy Primakov, member of the USSR National Security Council, both expressed optimism in regard to the future of the Soviet economy and America's role in that future.

Shcherbakov described the talks with President Bush as "open and frank." Shcherbakov said, "there were many consructive talks. We reached an agreement that further contacts would be enacted."

U.S. Aid Dependent on USSR Policy Changes

LD3105201791 Moscow Russian Television Network in Russian 1700 GMT 31 May 91

[Commentary by V. Orlov; from the "Vesti" newscast]

[Text] Economic relations between the superpowers is the basic theme of the Soviet-U.S. dialogue going on at the moment. Today George Bush is receiving Yevgeniy Primakov, USSR presidential adviser, in Washington, while in Lisbon U.S. Secretary of State Baker is meeting USSR Foreign Minister Aleksandr Bessmertnykh.

The Americans have stated that as yet they are not prepared to give the USSR major financial help. Supplying aid is made dependent on certain changes in the political course being implemented by Gorbachev, ending military suport to Fidel Castro's communist regime in Cuba, cutting military spending, and halting repressions against the Baltic states. Otherwise the U.S. Congress may block the allocation of aid to the Soviet Union. Apart from that the Bush administration considers that the West should not help the USSR until the Soviets present a realistic economic plan. As yet, in the opinion of the U.S. side, the Soviet Union does not have such a plan.

Baker believes that Gorbachev will lead the country's economy to a market system. However, he considers that the Soviet president has not yet demonstrated the political will to implement his aims. If the Kremlin shows decisiveness in switching to a market economy in deeds in the next few weeks, then aid from the West is practically guaranteed, as is an invitation to Gorbachev to the meeting of the G-7 leaders in July in London. [video shows various CNN footage, including Wednesday's Primakov-Baker meeting, U.S. Congress in session, Gorbachev arriving on a plane]

Commentary Criticizes Discounting of USSR

LD0206110591 Moscow Radio Moscow World Service in English 0000 GMT 2 Jun 91

[Commentary by Valentin Zorin]

[Text] When I interviewed the former American President Richard Nixon on Soviet television recently he criticized those American political science experts who seemed to be in a hurry to write the Soviet Union off the world political account as a great power. I recall Mr. Nixon's remarks when I read reports about the debate in Washington around the question if the Soviet Union should be helped or not now that it is experiencing quite serious hardships. I think to question the expediency of cooperation with a nation living through a hard time is already immoral; what's more, to do so means to display political shortsightedness. It's actually impossible to ignore the country occupying one-sixth of the world's political map. It's impossible to ignore over 300 million people living on its vast territory stretching from the Baltic and Black Seas up to the Pacific Ocean, from the Chinese border to the Arctic region. And finally, it's impossible to ignore the fact that this country is a treasury of enormous mineral resources. It's industry is serviced by millions of experts. Today this huge machine has developed some faults for different reasons, but has it ceased to exist? Have its workers, engineers, and technicians lost their qualifications? Do American politicians really think that this all can disappear overnight and America will have to deal with a country having the potential of an industrial weakling?

Those in Washington who try to dissociate themselves from the developments in the Soviet Union and let them take their course run the risk of having America's unwillingness to come to help at a difficult hour imprinted on Soviet people's lives. What is more, if the situation in the Soviet Union became catastrophic, this would have dangerous consequences for the entire international community. From the economic point of view, it would be unreasonable for the United States and other industrially advanced countries of the West not to cooperate with the Soviet Union. This country is part of the world economic system even if it is a relatively isolated part. But the fact that raw materials and markets are available in every East European country is important not only to them but for the world economy as a whole. Besides, hundreds of firms in many industrially advanced countries are oriented to the fulfillment of Soviet orders. If it so happens that the uncontrolled crisis in the Soviet Union will coincide with a general world economic slump or other major international conflict, then the destabilization of the world economic order will become inevitable. To live in isolation in the present day world is an impossible thing.

Rogachev, Solomon Meet in Brussels

LD0206151291 Moscow TASS International Service in Russian 1434 GMT 2 May 91

[by correspondent Sergey Simonenko]

[Text] Brussels, 2 Jun—On Saturday, two days of Soviet-American consultations on problems of the Asian and Pacific Ocean region were concluded in Luxembourg. They were conducted by I.A. Rogachev, deputy foreign minister of the USSR, and R. Solomon, U.S. undersecretary of state.

In a businesslike atmosphere, the parties exchanged opinions on ways of ensuring security in the Asian-Pacific region and the integration of the Soviet Union into regional trade and economic cooperation.

Significant attention was devoted during the consultations to a discussion of the prospects for a settlement in Cambodia and possible practical steps facilitating the acceleration of this process. The situation on the Korean Peninsula, in which certain positive shifts have been noted, was examined.

China

Bessmertnykh on Sino-Soviet Cooperation

LD0106172391 Moscow Central Television First Program Network in Russian 1435 GMT 1 Jun 91

[Report by correspondent V. Kulikov from Beijing]

[Excerpt] [passage omitted] Soviet diplomacy, our Foreign Minister Aleksandr Bessmertnykh considers, cannot shut itself off with a Chinese wall from everyday problems. On the agenda of his talks with the heads of the PRC foreign policy department was not only the coordination of foreign policy issues and the development of bilateral links, but also down to earth problems of economic cooperation. [video of Bessmertnykh during his recent visit to PRC]

[Begin Bessmertnykh recording] Diplomacy and foreign policy are in themselves the most pragmatic science and pragmatic trade. We cannot now just talk about an improvement in relations without trying to strengthen them with a real widening of the range of trade, economic, and financial cooperation, and so on. We have good initial qualities, namely the economies of the Soviet Union and China are very compatible. They have certain advantages over each other, and when we put them together then this will have results for both sides. [end recording] [passage omitted: general description of Soviet goods exhibition as example of improving cooperation]

International Department Official on CPC Links

OW0106132591 Moscow Radio Moscow in Mandarin 2200 GMT 28 May 91

[Report on interview with Musatov, first deputy chief of the International Department of the CPSU Central Committee, by Charibov]

[Text] Strengthening CPSU-CPC relations is a prominent item on the agenda of Sino-Soviet relations. This was pointed out in the joint communique issued at the conclusion of the visit by Jiang Zemin, general secretary of the CPC, to our country. The two years since normalization of relations between the USSR and China have proven that exchanges of our parties' experiences in the recent past, as well as of information and views, are beneficial.

Our reporter Charibov spoke to Musatov, first deputy chief of the International Department of the CPSU Central Committee, about the section of the Sino-Soviet joint communique dealing with this issue.

[Begin Musatov recording in Russian, fading into Mandarin translation] Contacts between the two parties have always been the nucleus of the Sino-Soviet relations. These contacts, our loyalty to socialism's ideals, and our choice of the socialist road have made our relations and our enthusiasm for each other more comradely.

During Comrade Jiang Zemin's visit to our country, the leaders of our countries emphatically pointed out the importance of political dialogue, information exchange, and the exchange of emissaries in all their conversations and meetings. It was pointed out during their talks that these practices should continue and expand, as they are significant in specific spheres of party work and in exchanging experiences in all fields of endeavor in social life. These kinds of exchanges were stepped up and conducted between high-level departments in the past two years.

Among the Soviet officials participating in the talks were Ivashko, deputy general secretary of the CPSU Central Committee; secretaries of the CPSU Central Committee; and leaders of party organizations in Leningrad Oblast and Sverdlovsk Oblast.

An agreement was reached at the recent Moscow summit on continued exchanges of experiences between the two parties. I believe that active, fruitful, and comradely ties between the CPSU and the CPC are conducive to strengthening Sino-Soviet friendship. [end recording]

As the joint communique notes, future contacts between the two parties will be conducted on the basis of the principle of maintaining independence and retaining initiative in one's own hands, complete equality, mutual respect, and noninterference in each other's internal affairs. Please elaborate on the portion of the joint communique that deals with this issue.

[Begin Musatov recording in Russian, fading into Mandarin translation] This basic principle will enable the CPSU and the CPC to establish mutual relations on the basis of maintaining their respective sovereignty. As a matter of fact, they have established relations in this way. We can conclude from the experiences of history that each party acts independently; each party maintains its independence and retains the initiative in its own hands when drawing up its own policies in light of its own historical and national conditions, as well as the characteristics of the country that it represents; each party acts under the guidance of the people's right to choose their own social system; and each party should advance along its chosen path. I believe that understanding these situations and emphasizing their significance in the joint communique is important to establishing relations between our parties on a sound foundation. [end recording]

You have had many meetings recently with responsible persons from the CPC Central Committee and have recently visited China. Therefore, you understand the experiences of Chinese comrades in party work. Please discuss your impressions.

[Begin Musatov recording in Russian, fading into Mandarin translation] The capabilities of the party's working personnel and of the Chinese state, their aggressiveness and patriotism, and their loyalty to socialism impressed me deeply. Our party's working conditions are changing, as is the overall situation. As a result, we are faced with increasingly complicated tasks. It is important that both the CPC and our party are acting by proceeding from our specific situations. I think that experiences acquired by our Chinese friends in party organization work are noteworthy. I think our Chinese comrades will also take note of a number of things we have done which might benefit them, for example our search for ways to extricate ourselves from our difficult position and from the heavy price that we may have to pay, which are things they observed during their visit to the Soviet Union. The Chinese Communists support us as comrades should. Their support is very important to us. [end recording]

Northeast Asia

Comment on DPRK Decision To Join UN

Foreign Ministry Remarks

OW3105093191 Moscow INTERFAX in English 1830 GMT 30 May 91

[Text] DP's [Diplomatic Panorama] Igor Porshev asked a senior Soviet Foreign Ministry staffer for comments on Pyongyang's decision to join the UN without claiming a special status in the UN.

The diplomat reminded that earlier North Korea had insisted on joining the UN concurrently with South Korea and on both Koreas sharing one UN mandate. Pyongyang's abandoning this formula is a u-turn that creates a window of opportunity for improving the situation in the Korean Peninsula and Asia in general, emphasized the diplomat.

The Soviet Union advocates the application of the principle of UN universality, he went on to say, which means that any nation aspiring to permanent membership in the UN and recognizing its charter and objectives has a right to accede to the international body. Korea is of course a special case because Pyongyang and Seoul took divergent lines on the matter, at least until recently. For all this, said the diplomat, it would be the best policy for both Koreas to join the UN at the same time, and Pyongyang's decision can be described as promising as it opens the way for a search for reciprocal arrangements between North and South Korea on the terms for their accession to the UN.

Asked whether Moscow's line had had a effect on Pyongyang's decision, the diplomat answered: "We have on several occasions made known our arguments to our Korean friends and they were met with understanding. However, the Korean leaders had their own considerations, and quite weighty ones, too." But then, he said, all this is already in the past.

The diplomat did not rule out that Beijing may have played a role in turning Pyongyang around. The talks North Korea's President Kim Il-song had lately with China's State Council Chairman Li Peng may well have speeded up the taking of this decision, he said. He also suggested that contacts between North Korea and Japan that have been taking place of late may have been a factor too.

Many observers view Pyongyang's decision as a break with the policy of self-imposed isolation. This view, DP's interviewee says, is not quite defensible as even today North Korea maintains diplomatic relations with 105 countries, South Korea, with 148, and 90 nations have diplomatic relations with both Koreans, and both are members of most international bodies, including specialized UN agencies. So there is no point in speaking of any "self-imposed isolation", he said. It is quite a different thing though that our Korean friends were apt to take a tough line in negotiations, creating the impression of inflexibility.

The diplomat conceded that Pyongyang's decision signified a de-facto recognition of South Korea as an independent nation, but, he says, this recognition came far earlier. Despite their numerous statements and declarations, both the North and the South built their actual policies on the de-facto existence of two Koreas.

The diplomat confirmed that the two Koreas may unite in the future. According to him, the previous two years have seen much progress toward this goal. There is no telling when this may take place, but no one can deny that the process is on, said the diplomat.

Rogachev Comment

SK0106025391 Moscow Radio Moscow in Korean 1430 GMT 30 May 91

["Brief interview" by Igor Rogachev, deputy foreign minister, from "Today's World" program]

[Text] This is a brief interview given by Soviet Deputy Foreign Minister Rogachev in connection with the DPRK's decision to enter the United Nations.

[Begin Rogachev recording in Russian fading into Korean translation] The DPRK decision to enter the United Nations can be explained logically. This measure has been taken considering political reality and circumstances that have been prevailing on the Korean Peninsula over the issue of the two Koreas' UN admission. This decision by People's Korea will end the constant argument and discussion on this issue. The Soviet Union welcomes this measure by the DPRK and thinks that this will hasten the march toward Korea's reunification. The decision by the DPRK on the UN admission will contribute to improve the overall situation in the Far East. This decision will no doubt enhance the international prestige of the DPRK.

PRAVDA Correspondents Comment

SK0206022691 Moscow Radio Moscow in Korean 1200 GMT 30 May 91

[Commentary by unidentified PRAVDA correspondents in Pyongyang on DPRK's decision to enter the United Nations from "Focus on Asia" program]

[Text] The sensational decision made by Pyongyang in recent days is having more effect than the explosion of bombs. The KOREAN CENTRAL NEWS AGENCY has reported the decision made by the DPRK Government to enter the United Nations in accordance with general procedures.

We would like to remind you that the DPRK, [word indistinct], has stressed the need for a single-seat UN admission by the North and South. Pyongyang has maintained that unilateral UN admission would perpetuate the national division.

As philosophers have said, however, there are changes in all things. ROK newspapers have pointed out as affirmative the changes in the position of the DPRK leadership. And we can see some of them today.

Pyongyang's decision this time, first of all, is a sign of recognition of the ROK as an independent state. Even until yesterday, the North did not regard the South as an independent state. Pyongyang's announcement will promote its relations with others as well as help reduce tensions in Northeast Asia.

Secondly, Pyongyang's announcement to enter the United Nations is to remove itself from closed politics and to firmly consolidate its position in the world community.

Not only the ROK leadership, but figures from all the dissident organizations have supported the DPRK decision. I don't think that this is a coincidence. In addition, the world powers have welcomed the announcement by the DPRK Government.

Who persuaded the DPRK leadership to take such a step? We could probably guess. For example, there is a rumor that Li Peng, premier of the PRC State Council, may have persuaded Prosident Kim Il-song to unilaterally enter the United Nations during their meeting some time ago.

While noting Pyongyang's announcement, some observers have wrongly concluded that its announcement is to [words indistinct]. But today is not a good time to assert this. We can cite Germany and Yemen as examples.

Unilateral admission to the United Nations will not go against the reunification of the country today. Pyongyang's recent decision shows that the DPRK is recognizing, little by little, the world situation as it is.

Decision Analyzed

SK0106082991 Moscow Radio Moscow in Korean 1200 GMT 29 May 91

[Unattributed talk from the "Focus on Asia" program]

[Text] Yesterday's statement by the DPRK Foreign Ministry was unexpected to a certain extent. This is because Pyongyang so far persistently opposed the North-South simultaneous UN admission. Pyongyang insisted that the North and South enter the United Nations as a single member.

Seoul insisted that the North and South simultaneously enter the United Nations. The ROK recently sent a memorandum to the UN Security Council and expressed its intention to unilaterally, solely enter the United Nations. This matter is surely an internal matter that the Korean people must resolve by themselves. Attempts were made in the past to resolve this matter in this direction. For example, the DPRK declared that the UN admission by the divided country would dim prospects for the country's reunification. Pyongyang insisted: This national reunification is the vital demand of our nation, and must be achieved based upon national reconciliation.

The DPRK Foreign Ministry statement pointed out that the UN admission issue is very important to all the Korean people. It also expressed its regret for the fact that this issue is not being discussed in bilateral [North-South] talks.

Pyongyang's recent step proves that Pyongyang has been appropriately catching up with developments.

The Foreign Ministry statement pointed out that the DPRK will make efforts in the United Nations to solve the problem of the country's reunification and international problems for the interests of the Korean nation and peace and stability in the world.

Seoul duly reacted to the DPRK's statement on the UN admission. In a statement, the ROK Foreign Ministry pointed out that this step would ease tension on the peninsula, help achieve the reunification cause, and contribute to consolidating peace and stability in Northeast Asia.

We would like to expect that the possibility has become greater for political dialogue between the two Korean states.

UNGA President, ROK Foreign Minister Meet

SK0106080391 Moscow Radio Moscow in Korean 1200 GMT 31 May 91

[Text] The ROK's UN admission was discussed during today's talks in Seoul between Guido de Marco, Maltese foreign minister and president of the 45th UN General Assembly, and ROK Foreign Minister Yi Sang-ok. So said the YONHAP NEWS AGENCY.

De Marco previously visited the Soviet Union, China, and the DPRK. He discussed the DPRK-ROK UN admission with the leaders of these countries.

In his arrival statement in Seoul, he said that the DPRK's decision on the UN admission would not change. He said that he had sensed this during his conversation with President Kim Il-song.

Testifying at the the ROK National Assembly, Foreign Minister Yi Sang-ok pointed out that Pyongyang's decision to enter the United Nations will help improve the situation on the peninsula. He also said that if the DPRK and the ROK enter the United Nations this fall, the ROK will organize a North-South [word indistinct] conference within the boundary of the United Nations to promote bilateral cooperation.

Seoul insisted that the DPRK and ROK Permanent Observer Missions at the United Nations meet with each other to discuss the application for UN admission.

DPRK Denies Underground Nuclear Tests

SK0106023291 Moscow Radio Moscow in Korean 1200 GMT 31 May 91

[From "Asian News" program under "Focus on Asia" program]

[Text] The DPRK has denied Western reports that it carried out underground nuclear tests. According to special pictures taken on 30 May by U.S. satellites of North Korean territory, the region of the test site showed a sudden increase in surface temperature.

NODONG SINMUN on 31 May carried a commentary regarding these reports, stating that according to DPRK meteorologists, there was no increase or drop in temperature in the region the United States had indicated as the site for underground nuclear tests.

The commentator also stated that he doubts claims by foreign scientists who say that the unstable temperature is related to underground nuclear tests. He said that the purpose in Western countries' denunciation of the DPRK is to dim the prestige of the Republic and to strengthen their international isolation of the DPRK.

DPRK's Willingness on Nuclear Inspection

SK0206132691 Moscow Radio Moscow in Korean 1100 GMT 1 June 91

[Station commentator (Oleg Alekseyev) on the DPRK's willingness to allow the international team to inspect the nuclear facilities in its territory from the "Focus on Asian" program]

[Text] A dialogue on the nuclear inspection between the DPRK and the International Atomic Energy Agency [IAEA] has been started recently, at a time a little later than expected. However, it was known that the DPRK was likely to sign a safeguard agreement in July 1990. The dialogue on the agreement, however, was suddenly suspended. Where is the reason for this?

Pyongyang has intended to continue the dialogue, while discussing the issue of withdrawal of the U.S. nuclear weapons from the ROK. The IAEA had to explain to Pyongyang that the issue was beyond the jurisdiction of the IAEA. Thereby, the talks reached a deadend.

Taking into consideration the DPRK's attitude, moreover, there is suspicion that the DPRK may be in the process of developing its own nuclear weapons. As a result, it seems that the DPRK's international prestige and interest have deteriorated a great deal.

Today's situation is changing. It is, however, not a good time to make a final decision yet. This is because we do not know whether Pyongyang will cancel its political demand that led to a rupture of the talks.

According to the remarks by the majority of observers, the announcement of the DPRK Government may set a prior condition for resuming negotiations with the IAEA.

ROK, DPRK Generals To Meet in Tokyo

SK0306043391 Moscow Radio Moscow in Korean 1200 GMT 27 May 91

[Station commentator Oleg Alekseyev commentary from the "Focus on Asia" program]

[Text] A Soviet Far East Military District delegation led by its commander, Colonel General (Viktor Novozhilov), has been staying in Tokyo. It will participate in a roundtable conference to be attended by representatives from Japan, the DPRK, the ROK, China, and the U.S. Pacific Command. This is the first of its kind in history. So said our station commentator Oleg Alekseyev.

Upon leaving Moscow, Colonel General (Novozhilov) has said that the fact that this roundtable conference will take place shows that a new stage is emerging in which Asian-Pacific countries are seeking mutual understanding. Colonel General (Novozhilov) has also pointed out that soldiers, too, must get together, state their views, and work out mutually acceptable policies.

That is right. For example, the negotiations among military representatives in Europe once helped draft documents that call for the massive East-West arms reduction. The dialogue among the military representatives significantly helped promote mutual trust.

The participants in this roundtable conference must not walk along parallel lines. This is because the situation in the Asian- Pacific region is far more complicated. [passage indistinct] Various elements are intertwined: They are hindering a probe for mutually acceptable approaches. I must also point out the fact that the roundtable conference among soldiers, which will open in Tokyo, is an unofficial conference [word indistinct]. This is merely the first meeting among military delegations that have not attended any roundtable conference to exchange views. However, this is very important. This is because such an unofficial meeting will help arrange bilateral and multilateral talks to ease military tension in the Asian-Pacific region. In connection with this, I would like to recall that during his visit to Japan last April, Soviet President Gorbachev stated that Moscow has the intention of holding military dialogue with Japan. The president also proposed that the Soviet Union, the United States, and Japan hold tripartite military dialogue.

In connection with the meeting among the military representatives of the five countries, I would like to point out: The representatives of the DPRK and ROK military commands will sit face to face in the Tokyo meeting for the first time in history. This, too, will be an important event. Such a meeting will serve as an opportunity to promote mutual understanding between the two divided countries in military affairs.

Japanese-North Korean Talks at 'Stalemate'

PM3105110891 Moscow PRAVDA in Russian 27 May 91 Second Edition p 6

[Correspondent Sergey Tikhomirov report: "Stalemate or Time-Out?"]

[Text] Pyongyang—The third, Beijing, round of talks on the establishment of diplomatic relations between Japan and the DPRK has ended without result. The sides failed to settle any of the issues on the agenda. Nor was a date set for the next meeting. Essentially it was a stalemate, and few people today would venture to predict when a way out will be found.

The two previous meetings in Pyongyang and Tokyo had revealed considerable differences standing in the way of a full normalization of bilateral relations. I think that this is why observers were very skeptical about the chances of success in Beijing.

The fact that North Korea agreed to come to the negotiating table without any preconditions undoubtedly deserves to be assessed positively. However, it was obvious that its interpretation of the resolution of existing problems—specifically, the payment by Japan of compensation for damage inflicted during its colonial rule in Korea and the postwar period—would not meet with a commensurate response from the Japanese.

Equally, the condition put forward by Tokyo that an agreement on nuclear guarantees be signed and that International Atomic Energy Agency [IAEA] inspection be permitted on DPRK territory in order to ensure that Pyongyang has no intention to acquire nuclear weapons was rejected by the North Korean delegation. It has believed in the past and continues to believe that this question is subject to discussion between Pyongyang and Washington, since the latter keeps nuclear charges in the south of the Korean Peninsula.

Let me add the rider straightaway that this outline of the contradictions has been considerably simplified but, in my opinion, these are the problems which have mainly prevented any progress in dialogue hitherto. In an attempt to alter the course of the talks, this time Pyongyang proposed initially resolving the question of the establishment of diplomatic relations and later—on a working basis, so to speak—tackling everything else in earnest.

Clearly, the Japanese delegation was not prepared for this and consulted with Tokyo. As was generally to have been expected, a negative response was forthcoming. The motive is simple. The establishment of full-blown relations presupposes that both sides carry out their international treaty commitments. But as long as Pyongyang refuses to settle its problems with the IAEA it is premature to talk about exchanging ambassadors.

At first glance the DPRK's reluctance to permit inspection of its installations cannot fail to prompt questions. On the other hand, the North Korean leadership's fears are understandable. After all, U.S. nuclear missiles are sited just some 300 km from Pyongyang. Therefore it is logical to view the DPRK's refusal as a kind of insurance policy. I personally do not entirely understand the position of the United States, which still remains deaf to the North's appeal to negotiate.

Judging by the speech by the head of the DPRK delegation, the third unplanned day of the Beijing meeting merely inflamed the situation. The Japanese raised the question of the fate of one of their female compatriots allegedly being held against her will in North Korea. News agencies reported the other day that the woman had trained a "North Korean saboteur." In court in Seoul she stated that she was involved in the sabotage against a South Korean airliner. In November 1987 the plane disappeared over the sea in the region of the Thai border with 115 passengers on board.

I do not know what the Japanese were expecting, but I would assess this subject that they raised as being below the belt. Moreover, the testimony of the "saboteur" strikes many observers as unconvincing and uncorroborated. It is strange that Tokyo should have raised this issue at all at a time when the talks are already thoroughly bogged down. The North Korean side has stated that it is impossible to continue the talks until the Japanese stop raising this issue and apologize.

So what do we have here—a stalemate or a planned time-out?

Japan Explores Vladivostok Free Economic Zone

OW0306064291 Moscow INTERFAX in English 1800 GMT 31 May 91

["Business Weekly"]

[Text] A team of experts from the Association of Engineering and Consulting Firms in Tokyo has arrived in Vladivostok to study the possibility of setting up a free economic zone in that large Soviet city on the Pacific coast.

The Japanese experts who began work under an agreement with the United Nations Industrial Development Organization (UNIDO) are expected to produce a draft redevelopment plan after examining the possibility of a free economic zone in Vladivostok. The association which plans to allocate $100,000 said it was prepared to fork out another $500,000 for the purpose.

Japanese Manufacturer Opens Moscow Office

OW0306064891 Moscow INTERFAX in English 1800 GMT 31 May 91

["Business Weekly"]

[Text] Seiko Epson, that has representations and branches in 29 countries of the world, opened a representation in Moscow.

The contracts yielded in the six months of preliminary work of the representation are worth $5.8 million, said Tatsuhiko Kasai, head of the Moscow mission. Seiko Epson is set to expand sales of personal computers, displays, and hi-fi home electronic equipment.

Seiko Epson plans to set up its servicing network in the USSR and seeks partnership with a Soviet enterprise to assemble and later produce printers under licence. Seiko's products will be sold in the USSR for hard currency.

Troops in Kurils To Be Reduced by 30 Percent

LD3105130191 Moscow Central Television First Program Network in Russian 1200 GMT 31 May 91

[From the "Television News Service" Program]

[Text] According to a Defense Ministry announcement, Soviet forces on the four islands of the southern section of the Kuriles chain will be reduced by 30 percent before the end of the year.

Southeast Asia & Pacific

Viktorov Comments on Philippine Relations

HK0106040691 Moscow Radio Moscow in Tagalog 1400 GMT 31 May 91

[by Vladimir Viktorov]

[Text] According to Viktorov, the establishment of diplomatic relations between Moscow and Manila was much welcomed and accepted by the world. The two countries have known each other for a long time and have maintained good relations; which is why when the relationship between the two countries was formally established 2 June 1976 based on international standards, it naturally has a value.

According to Viktorov, with the establishment of bilateral relations, the coordination between the Philippines and the Soviet Union in various levels and for various works was strengthened. This was followed by the visit of Valentina Tereshkova, Soviet legislator and first woman cosmonaut, to the Philippines. Tereshkova had the chance to talk to President Corazon Aquino. On the other hand, top officials from Manila visited the Soviet Union. The officials included Foreign Secretary Raul Manglapus, former Trade Secretary Jose Concepcion Jr., and Science and Technology Secretary Aris Aban.

This exchange of visits further boosted the economic and technological cooperation between both sides. According to Viktorov, labor coordination between the two countries was also strengthened. The same is true in the fields of culture and sports.

Viktorov thinks that the push in the relations between the two countries happened in the last part of 1988, when former Soviet Foreign Minister Eduard Shevernardze visited Manila. According to Shevernardze, in his meeting with Aquino, the Soviet Union aimed to firm up good relations with the Philippines base on sincerity and sovereinty. According to Shevernardze, the two countries' relations should be anchored on mutual respect for each other's sovereignty and on nonintervention in domestic affairs. On President Aquino's part, she expressed Manila's readiness to contribute to peace and prosperity in the world.

According to Viktorov, the progress in Philippine-Soviet relations is evident during the 15 years, with the Philippines gearing towards democracy and the Soviet Union undergoing major changes in all aspects, particularly in invigorating foreign relations.

Manglapus told mediamen in Moscow that in spite of the big difference in the two countries' political systems, there are great opportunities for both to boost cooperative relations.

According to Viktorov, the two countries believe that they should help each other and act together for the implementation of various economic projects. And both countries have expressed readiness to continue their political coordination. It can be said that the course of diplomatic relations between the Philippines and the Soviet Union, which was established fifteen years ago, remains strong.

Foreign Ministers Exchange Greetings

LD0306092391 Moscow TASS in English 0857 GMT 3 Jun 91

[Text] Moscow June 3 TASS—The foreign ministers of the Soviet Union and the Republic of Philippines have exchanged telegrams of greetings on the occasion of the 15th anniversary of the establishment of diplomatic relations between the two countries.

The message signed by Aleksandr Bessmertnykh notes that due to efforts by both sides a precious stock of multifaceted cooperation, mutual understanding and trust has been accumulated over the historically brief period.

The telegram expresses hope that favourable opportunities for the further progress in Soviet-Philippine relations will be used in fullest possible measure for the benefit of the two countries.

The telegram signed by Raul Manglapus expresses satisfaction with the fact that relations between the two countries have been considerably consolidated, although many untapped reserves still remain for their further progress.

The telegram expresses confidence that ties between the USSR and the Philippines will continue to develop for the benefit of the two peoples.

Sihanouk, Hun Sen Agree on SNC Leadership

BK0306043891 Moscow Radio Moscow in Cambodian 1230 GMT 2 Jun 91

[Text] Here is a report that we have just received:

At the meeting held in Jakarta on 2 June, Comrade Hun Sen, chairman of the State of Cambodia's Council of Ministers, and Samdech Norodom Sihanouk reached an important agreement on the Supreme National Council [SNC] leadership and the extension of the current cease-fire in the country.

As Comrade Hun Sen said after the meeting, it was agreed that Samdech Norodom Sihanouk would take up the post of SNC chairman and Comrade Hun Sen would become vice chairman of this SNC.

The two sides also agreed that the SNC composition would be expanded from 12 to 14 members on a seven-plus-seven formula as a basis to maintain an equal number of representatives from Phnom Penh and the Cambodian resistance.

Also reached at this meeting in Jakarta was an agreement on the extension of the current cease-fire in Cambodia which was announced on 1 May in response to the appeal by the UN secretary general and the co-chairmen of the Paris International Conference on Cambodia.

Lukyanov Discusses Issues with Malaysian Delegation

LD0106103491 Moscow TASS International Service in Russian 1515 GMT 31 May 91

[Text] Moscow, 31 May (TASS) The situation in the Asia-Pacific region received special attention during today's meeting between Anatoliy Lukyanov, chairman of the USSR Supreme Soviet, and a parlaimentary delegation from Malaysia headed by Zahir Ismail, speaker of the House of Representatives. The delegation is in the Soviet Union on an official visit. Anatoliy Lukyanov confirmed the USSR's adherence to the process toward strengthening peace and security in this region, toward development of mutually beneficial and equitable cooperation, and to a broad dialogue on all of these issues with the interested countries. In this context, readiness for establishng cooperation between USSR and ASEAN states on a bilateral as well as collective basis was expressed.

Protocol on Press Publishing Signed With SRV

LD0106103591 Moscow TASS International Service in Russian 0630 GMT 31 May 91

[Text] Hanoi, 31 May (TASS)—TASS correspondent Aleksandr Denisovich: A regular session of the Vietnamese-Soviet permanent working group on the press, book publishing, printing and distribution has ended by drawing up a protocol on cooperation between the SRV and the USSR in this area. It was signed for the Vietnamese side by Tran Hoan, SRV minister of culture, information, sports and tourism, and for the Soviet side by M.F. Nenashev, chairman of the USSR State Committee on the Press.

The document notes, among other things, that positive results have been achieved as a result of cooperation between the two countries in the field of book exchange. The sides stressed the need to continue contacts and intensify them. To this end a number of areas for joint activities were agreed on. These include drawing up and improving new forms of cooperation required as a result of the introduction of financial autonomy in publishing activities, both in the USSR and the SRV. These will be expressed, first and foremost, in the development of direct bilateral ties, the enhancement of mutual accountability, the adoption of sanctions for violating the conditions of agreements, and the development of entrepreneurial activity.

Near East & South Asia

Bessmertnykh Meets Syrian Foreign Minister

LD0106215591 Moscow TASS in English 2132 GMT 1 Jun 91

[Text] Lisbon June 2 TASS—Soviet Foreign Minister Aleksandr Bessmertnykh met his Syrian counterpart Faruq al-Shar' in Lisbon on Saturday to discuss the Arab-Israeli conflict and a Middle East peace conference co-chaired by the Soviet Union and the United States.

Faruq al-Shar' is visiting Lisbon for talks with Bessmertnykh and U.S. Secretary of State James Baker.

Syria wants to continue searching for solutions to tensions in the Middle East and promote an all-round settlement in the region, the Syrian minister said.

The two agreed to continue their consultations in the future.

Analyst on 'Hardheadedness' of Afghan Opposition

LD0106030491 Moscow TASS in English 1518 GMT 31 May 91

[By TASS International News Analyst Yuriy Tyssovskiy]

[Text] Moscow May 31 TASS—Judging by reports from Pakistan, the more extreme leaders of the Afghan opposition seem to be nearly totally preoccupied with how to torpedo the widely-supported peace plan for Afghanistan, proposed by U.N. Secretary-General Javier Perez de Cuellar. Perez de Cuellar's proposals are generally viewed as the last chance to end the devastating and fratricidal war in Afghanistan that has been continuing for more than a decade now.

Let's disclose the names of the most active foes of the peace plan. Their names are well-known as is their reputation of religious and national fanatics.

These are the head of the Islamic party of Afghanistan Golboddin Hekmatyar and his co-thinker Abd Rabb Rasol Sayef who concurrently heads the Islamic Alliance for the Liberation of Afghanistan and serves as "prime minister" in the now-defunct "Islamic Interim Government of Afghanistan".

Hekmatyar said recently that peace could come to the country only after mujahideens score a military victory over "Kabul communists" and that the U.N. secretary-general's initiative was depriving them of that victory. In other words, he repeated what he used to say for many years, during which he did not come any closer to his coveted goal—the capture of the Afghan capital.

Sayef's pronouncements cannot be described as original either. He urged "friendly countries" (i.e. Pakistan and Iran) to withdraw support from Perez de Cuellar's plan, because it allegedly blocks "the creation of an Islamic government in the country" and "enables the communists (i.e. the Afghan Government) to seek on the political scene what they lost on the battlefield."

This needs to be specially commented upon. First, nearly two years of defending on their own after the withdrawal of Soviet troops only boosted the view that the Afghan Armed Forces were capable, today as before, of neutralising the attempts by "opposition die-hards" to reverse the course of events in the war. So the aspirations by leaders of the Peshawar opposition are highly unlikely to materialise.

Second, if the sides began to speak about forming an "Islamic government" in Kabul, there is one real way which eliminates the need for the bloodshed suggested by extremists. It is necessary to sit down at the negotiating table to agree on free elections to allow the Afghan people to express their free will.

The Peshawar opposition does not want this for the simple reason that it is not certain about the outcome of these elections. Therefore they shun even the "internal Afghan dialogue", for which Perez de Cuellar calls.

The hardheadedness of some opposition leaders is largely dictated by their ideological adherence to the most extreme forms of religious radicalism. For example, Hekmatyar, for whom the bloody war obviously was not enough, announced that the Islamic Party of Afghanistan detachments would fight for the sake of "liberating Kashmir from Indian occupation". Such extremism was one of the reasons why Western support for "resistance forces" was dramatically reduced. Iran and Pakistan spoke out in favour of the Perez de Cuellar peace plan. Calls for continued bloodshed are being issued only from the camp of opposition die-hards in Peshawar.

How long will political recklessness that results in thousands of dead, devastation and human suffering will continue to poison prospects for the peace, offered by the world community?

Churkin Briefs Journalists on USSR-Pakistani Talks

PM3105123991 Moscow IZVESTIYA in Russian 31 May 91 Union Edition p 5

[Report by correspondent G. Charodeyev: "SOVETSKAYA ROSSIYA's Futile Agitation"]

[Excerpts] USSR Foreign Ministry Information Administration chief Vitaliy Churkin has addressed a routine briefing for Soviet and foreign journalists. [passage omitted]

V. Churkin told journalists the results of the Soviet-Pakistani consultations on a political settlement in

Afghanistan, which ended in Moscow recently. In particular the Pakistani side confirmed its readiness to continue to promote the search for and release of Soviet prisoners of war in Afghanistan. And it did not rule out the possibility of achieving certain specific results in this direction in the near future.

Sub-Saharan Africa

Agreement of Angolan Civil War Signed

Comment on Signing

LD3105125791 Moscow TASS in English 1240 GMT 31 May 91

[Text] Rome May 31 TASS—On the eve of the signing of Angolan peace accords, the Soviet Union and Italy are gratified to welcome the end of the armed conflict in that country which can take the road of rehabilitation, development and peace following almost 20 years of feuding, says a joint Soviet-Italian statement on Angola and Mozambique.

The statement was adopted on Thursday during talks between Soviet Foreign Minister Aleksandr Bessmertnykh and his Italian counterpart Gianni de Michelis.

The Soviet Union and Italy, which in every way supported the peace process, are expressing their deep satisfaction to the negotiators and to the Portuguese Government in view of the important result achieved, the statement points out.

The two sides express the hope that Mozambique—another conflict zone in southern Africa—will also be able to feel the wholesome effect of national reconciliation and peace in the near future. In this connection they firmly support the efforts of negotiators who gathered in Rome for the important round of talks at which an appreciable progress was achieved in recent days.

The USSR and Italy intend to concretely and directly promote the socio-economic development of Angola and Mozambique in the regained conditions of security, democracy and peace, the statement says.

Savimbi Praises Soviet Peace Role

LD0106135891 Moscow TASS in English 1312 GMT 1 Jun 91

[By special correspondent Yuriy Rodionov]

[Text] Lisbon June 1 TASS—Jonas Savimbi, leader of the National Union for the Total Independence of Angola (UNITA), said in a TASS interview that the signing of the agreement to establish peace in Angola became possible thanks to the new relationship between the USSR and the United States.

"In this regard, we praise the role that Mikhail Gorbachev had to play. He launched the revolutionary process of cooperation, which had put an end to confrontation," Savimbi said. He also expressed hope that the Soviet Union would be committed to its policy in future. According to Savimbi, this policy will make it possible to implement the peace agreement on Angola that was signed in Lisbon and to do everything necessary for the development of the national economy.

On creating a new army in Angola, Savimbi stressed that the agreement envisaged the formation of a joint military-political commission by the USSR, the U.S. and Portugal. He said these states would give assistance in an important matter such as the creation of the new armed forces.

Savimbi emphasised that the signing of the peace agreement would exert a great influence on the situation in the south of Africa. Success in Angola is certain to influence the situation in Mozambique and this, in turn, will have a salutary impact on the situation in South Africa. Savimbi said interaction between the USSR and the U.S. in solving the Angolan problem could be taken as an example in settling conflicts in other parts of the world.

Bessmertnykh Addresses Truce Ceremony

LD0106100791 Moscow TASS in English 0947 GMT 1 Jun 91

[Text] Lisbon June 1 TASS—Soviet Foreign Minister Aleksandr Bessmertnykh addressed a signatory ceremony of the agreement to end 16-year-old war in Angola. He said: "Modern-day international affairs are always characterised by a flurry of diplomatic activity. Nevertheless, the signing of the documents sealing settlment in Angola singles out even against this background. [sentence as received] We are witnessing today a truly major historic event, which ends one of Africa's longest running and exhausting conflicts. It is even more gratifying that the turn to peace has been steep and decisive.

"In this regard, I deem it necessary to point out, first and foremost, the constructive frame of mind of the Angolan side—the Government of the People's Republic of Angola and the leadership of the National Union for the Total Independence of Angola (UNITA). Without their conviction that the military path leads to nowhere, without their readiness for compromises, which were sometimes painfully difficult to forge, without the will for national solidarity in the name of a peaceful" restructuring of the homeland, it would not have been possible for this day to come.

"Particular credit goes to Portugal, which had a constructive and creative role to play throughout the entire negotiating process. African countries, other members of the international community, specifically Cuba, which withdrew its military contingent ahead of schedule, did not stand aloof. It is important that the parties to the negotiations could rely on the United Nations' support.

"One may definitely say that without Soviet-American cooperation it would not have been possible to achieve this result and even to launch a quest for accord between Angolans. The key foreign pre-conditions for dispelling the Angolan conflict formed largely thanks to the new nature of Soviet-U.S. relations and those changes in the world that we associate with the end of the cold war.

"Not only did the settlement in Angola absorb the energy of positive shifts in international affairs. It would in itself be a tangible contribution to building a new world order. The experience of the Angolan settlement confirms anew that given a true will for peace and political solutions, a vigorous support of the international community, even the most serious conflicts, can be resolved.

"Quite a number of difficulties have yet to be overcome on the path towards a final peace and accord in Angola. But the documents signed today offer clear guidelines and inspire (hope) that the obstacles will be cleared.

"Assistance by Angola's neighbours and friends, all champions of this settlement will be inestimable. For its part, the USSR will lend support to the ceasefire in Angola and other accords, including by making sure, jointly with the U.S., that weapons are not provided to either side as is envisaged by the agreement. We call upon other countries to comply with this provision as well.

"The Soviet Union is as ever a friend of the Angolan people. We are prepared to do everything depending on us to help them go successfully through a transition period in their history and build a democratic and prosperous state open for broad and international cooperation," Bessmertnykh said.

Soviet Policy in Ethiopia Criticized

OW0306063291 Moscow INTERFAX in English 1500 GMT 31 May 91

["Diplomatic Panorama—Ethiopia: Soviet Citizens out of Danger, and it is Time we Started Learning Some Lessons"—INTERFAX headline]

[Text] DP's [Diplomatic Panorama's] Igor Porshev asked the Soviet Foreign Ministry for comments on the recent developments in Ethiopia. A Soviet diplomat who requested anonymity noted that the situation in that East African nation is not yet clear. What available information there is comes from the nation's capital Addis Ababa. According to the diplomat, the area around the Soviet embassy and the embassy itself is "quite calm and normal".

Asked about the Soviet citizens who expected evacuation early this week (see May 28, 1991, DP issue), the diplomat said that they were all on the embassy grounds and their lives were out of danger, but the question of the flight has yet to be resolved. The Soviet ambassador continues contacts with the chief's of the rebels who hold the situation in Addis Ababa under control. They have agreed in principle on the departure of around 340 Soviet citizens, but there still are some "technical snags." According to the diplomat, the situation has been worsening in Ogaden, an area in which a group of Soviet oilmen and geologists is located. Available information indicates that fighting has broken out in this hitherto calm area, but the identities of the fighting forces are not known yet. None of the Soviet citizens in Ogaden or Addis Ababa have been harmed, emphasized the diplomat.

Some watchers of the international scene view the downfall of Mengistu's regime as a sign of a crisis of the Soviet Union's African policy that is a holdover from the "pre-Gorbachev era." This view is largely correct, says well-known Soviet IZVESTIYA journalist Aleksandr Bovin. He began the interview by citing a nursery rhyme every Soviet knows from childhood: "Kids, don't go traipsing in Africa." But seriously speaking, said Bovin, "any policy should begin with the determination of objectives and priorities and with giving an answer to the principal question: what are we after?"

According to the politologist, viewed from this angle, the Soviet Union's African policy is dominated by our desire to have miniature "Soviet unions" all over the globe, i.e., countries built in our likeness. According to Bovin, this amounts to a "peaceful export of revolution." Illustrations? Angola, Mozambique, Somalia, Ethiopia, said the journalist. We came to each of these countries with our own ideology, we wanted each to embrace Marxism-Leninism and socialism and have ruling , as today's parlance has it, "Avant- guarde" parties.

Today, said Bovin, we are witnessing the collapse of this house of cards. Africa, he emphasized, does not have any conditions whatsoever for the creation of this kind of "societies". They can appear for a brief period of time as a result of armed struggle or a military takeover. The only reason why Africans need the Soviet Union is that they need weapons. "In fact, the Kalashnikov assault rifle is the biggest 'humanitarian value' /we give them/ [as received] because all humans fight with Kalashnikov rifles."

At some stage the Africans need weapons and they need the Soviet Union, said Bovin. They chant, "Long live socialism!" and say, "What a good country the Soviet Union is!" But then, another development stage comes when social development, not war, is on the agenda. At this junction we are of no use to Africans, says Bovin, because we have neither resources nor funds nor capability to do what they need. And the Africans begin to turn gradually to the West. Ethiopia, Angola and Mozambique are but the most recent examples of the inefficiency and downright stupidity of our African policy, according to Bovin. It is high time we revised this policy and derived object lessons of major significance.

To have good relations with Ethiopia, there is no need to establish a higher party school in the country with a Marxist-Leninist curriculum or to support a dictatorial, despotic power structure. But in fact, this is what he did when we joined forces with despots and tyrants who were hated by the masses, said the diplomat. It should be understood, he said, that all coats are cut according to cloth, which means that we do not by any means have to be represented just everywhere.

Asked about what what lines further developments in Ethiopia were likely to proceed along, Bovin suggested that the Ethiopians would attempt to enlist Western, first of all, U.S. aid to build a bourgeois democratic country [sentence as received]. The journalist expressed the hope that the country would be able to avoid a "big bloodbath."

Commentary on Fall of Mengistu Regime

PM0306122191 Moscow KRASNAYA ZVEZDA in Russian 30 May 91 First Edition p 3

[Viktor Vinogradov article under "Observer's Column" rubric: "Ethiopia at the Crossroads"]

[Text] Exactly a week ago the ETHIOPIAN NEWS AGENCY reported that the country's president, Mengistu Haile-Mariam, secretary general of the ruling Democratic Unity Party and commander in chief of the Armed Forces, "has fled war-torn Ethiopia to save his skin." The statement by the republic's Council of State about the former leader transmitted on national radio said that he "not only did not resign and was not forced to do so, but simply fled on the pretext of an inspection trip to a military unit." True, the following day Ethiopian Prime Minister Tesfaye Dinka stated that Mengistu Haile-Mariam had been obliged to resign his post under pressure from opposition groups.

But this is not the crux of the matter, although in my opinion the first version is closer to the truth. After all, the man who ruled Ethiopia for 14 years was still stating quite recently that he would fight the rebels "down to the last cartridge." But it seems that, having seen for himself that he had no "cartridges" left, the "leader of the Ethiopian revolution" chose not to tempt fate but "to make himself scarce" and take refuge in Zimbabwe, where it is reported that he had previously bought a "nice estate" not far from Harare.

Thus collapsed the regime of Mengistu Haile-Mariam, who had promised to turn Ethiopia into a "flowering garden." The solemn promise remained precisely that. The dominance of the state sector was unable to bring economic and social prosperity. The volume of agricultural production declined from year to year, and forcible collectivization made a great contribution to this. Things have reached the point where Ethiopia cannot survive for a single day without food aid from abroad. The number of people dying annually from starvation in Ethiopia runs into hundreds of thousands. The standard of living in the country has fallen below even the level of 1974, when the imperial regime was overthrown. The republic has always stayed in the list of the world's poorest countries.

The extremely grave economic situation caused by incompetent leadership and natural difficulties has been deepened by the growing armed resistance of opposition groups—the Eritrean People's Liberation Front (EPLF), the Ethiopian People's Revolutionary Democratic Front (EPRDF), and the Oromo Liberation Front (OLF). Gambling exclusively on crushing the opposition militarily, Mengistu Haile-Mariam clearly missed the moment when he could have reached a peaceful agreement with the opposition. Thus the attempt he made this March to rectify the situation by establishing a new government made up of the most competent technocrats and politicians holding moderate views and representing various ethnic groups and his rejection of the "Marxist experiment" met with no success. The step plainly came too late. Pooling their forces, the opposition launched a decisive offensive against the ruling regime's positions. Thus the EPLF, having seized Asmera and the port of Aseb, established control over the whole of Eritrea, and EPRDF detachments entered the Ethiopian capital the day before yesterday.

At first, the flight of the "Red negus" [traditional title of Ethiopian sovereign] halted the hostilities in Ethiopia, and four delegations—representing the government and opposition groups—gathered in London for talks. But the seizure of Addis Ababa by EPRDF rebels changed the situation: The government delegation proved superfluous at the London meeting, and the EPRDF announced that a transitional government had been set up. In these conditions the question is: Will the participants at the London meeting be able to find a common language? Whereas before they were united by the common desire to rid the country of the hated regime, now that their goal has been achieved the contradictions that exist between them are coming to the fore. However, the chief contradiction is that the EPLF is seeking the separation of Eritrea from the country, whereas the other fronts favor a united Ethiopia. But it is absolutely essential that these contradictions be overcome because, as Mamo Muchi [name as transliterated], the head of the Ethiopian Orthodox Church in London, declared, "if the country is divided, then far more problems will arise and there will be more reasons for civil war and yet more famine."

And so the "Mengistu" period of Ethiopia's development is over. The very near future will reveal what the next phase will be like.

East Europe

Ministry Official Comments on Yugoslav Situation

OW0306054391 Moscow INTERFAX in English 1500 GMT 31 May 91

["Diplomatic Panorama: On Yugoslavia With Love (by Mayorov, diplomatic correspondent)"—INTERFAX headline]

[Text] On May 31, the last day of spring, no one can claim that Yugoslavia is seeing light at the end of the tunnel in its efforts to cope with an acute political and ethnic crisis. The situation in that country was on the agenda in the meeting the day before, on May 30, between Soviet Foreign Minister Bessmertnykh, who made a stopover in Rome en route to Portugal, and his Italian counterpart de Michelis. To find out about the Soviet diplomatic approaches to the Yugoslav problem, DP [Diplomatic Panorama] approached first deputy chief of the Soviet Foreign Ministry's Third European Department Andrey Nikiforov who, according to himself, "has been a Yugoslavia watcher for quite a time".

Since Moscow's position vis-a-vis the developments in Yugoslavia is well-known (we favour a united and integral Yugoslav nation), discussion largely focussed on the reaction of other countries in Europe and outside the continent. We are happy that nearly all firmly uphold Yugoslav unity and integrity provided the country remains faithful to its democratic development line, said the Soviet diplomat. None of the neighbouring nations challenges Yugoslavian borders.

The U.S. line is no exception in this regard. According to Nikiforov, despite Washington's recent statement that financial assistance to Belgrade was stopped, the U.S. continues to make no bones about its desire to see Yugoslavia as an integral nation. Nicols' amendment, the very instrument that was used to justify stopping financial assistance to Yugoslavia, says that U.S. commitment to having a united Yugoslavia remains unchanged. All that is new in Washington's line is that the U.S. began to be selective and decided to tie its aid to each individual republic's commitment to human rights protection. However, according to the Soviet diplomat, though the official position remains largely unchanged, the new elements of the U.S. line further confuse the already very complex Yugoslav picture.

And what about the Soviet line? Do not the ties individual Soviet republics are establishing with some of the Yugoslav republics (Russia is particularly active) contribute to pulling Yugoslavia asunder? By no means, says Nikiforov. According to him, the interrepublican ties were established at least two decades ago, not now when the USSR was beset by centrifugal processes very similar to those affecting Yugoslavia. In fact, these ties of yesteryear are a prototype of the relations being currently established by Soviet and Yugoslav republics. According to the Soviet diplomat, interrepublican meetings, contacts and ties as a whole show no sign of departure from the official position of the Centre that views a united and integral Yugoslavia as an important factor of European and global politics.

The diplomat found it very important to emphasize that when they come to the USSR, the predictions representatives of Yugoslav republics made concerning Yugoslavia's future federative setup are at times quite conflicting. This does not mean, however, that we are apt to lean toward any republic or political force in Yugoslavia because "it is up to the Yugoslavs themselves to decide" what kind of country they are going to have. "Their preferences are our preferences," emphasized the diplomat.

Is there any feedback? That is, do Yugoslav republican leaders reciprocate the Soviet line vis-a-vis Yugoslavia and want to see the Soviet Union united and integral? Generally speaking, they do, noted Nikiforov, and there no signs that any force in Yugoslavia supports separatist sentiments in the USR. No republic with the possible exception of Slovenia is leaning toward the recognition of the independence of the Baltic republics. In fact, Slovenia's position is the only example of this kind, emphasized the Soviet diplomatic.

The diplomat agreed that the developments in the USSR and Yugoslavia share a lot in common, but do we learn lessons from the mistakes we sometimes make in own ethnic conflicts? Do we take into consideration our own bitter experience when defining our foreign agenda? Well, that was a hard question, said the diplomat. On reflection, the diplomat said that we probably do, or at least should do. "The situation in this country must give us cues as to how we should act when faced with similar developments beyond the USSR," he said. In what concerns the Yugoslav military that many quarters in the West view as a force that would stop short at nothing to hold the republics in a united country, the Soviet Union has never made any declarations that emphasize this role of the military. Nevertheless, the Soviet Foreign Ministry is not included to underestimate the importance of the Yugoslav military whose actions do csomething to stabilize the country.

The outcome of the Yugoslav impasse will determine the situation both in the country and the region that has recently been the scene of an actively developing inter-Balkan dialogue. Nikiforov agreed that the entire picture of the Balkan cooperation is in danger, though it is yet too early to claim that contacts between Yyugoslavia and the neighbouring nations and the regional organisation Pentagonale are marking time.

In conclusion, Nikiforov asked the DP interviewer to keep in mind that all Soviet Foreign Ministry Yugoslavian Department staffers have very warm feelings about the country. "We wish it all the best, as we with ourselves, and we don't mean any harm whatever,"- these were the words that DP would like to call our official line.

Gubenko Repeats Criticism of Bielecki's Comments

LD0106103191 Warsaw PAP in English
0414 GMT 1 Jun 91

[Text] Moscow, May 31—Soviet Minister of Culture Nikolay Gubenko once again criticized Polish Premier Jan Krzysztof Bielecki, accusing him of introducing an unprofessional and faulty tone to the Krakow CSCE symposium. Gubenko, appearing on Soviet television on Friday, once again said that Premier Bielecki "danced the chechotka on the grave of socialism and thus introduced a completely unprofessional and faulty tone to the entire symposium." "Krakow was saved by our army units and Polish patriots," the Soviet minister went on. "Explosives were placed under each building. The city owes its saving to Marshal Konev. Unfortunately, not a word was said about this during the symposium, devoted to cultural heritage. The dismantling of the monument to Ivan Konev does not bring splendor to the Polish Government either," Gubenko observed. "I reacted to this being aware that that Polish premier may not like it. I felt that some of my Polish colleagues, but first of all, international public opinion supported our stand," concluded the minister.

Bulgarian Foreign Minister on New Policy

91UF0788A Moscow TRUD in Russian 23 May 91 p 5

[Article by Viktor Vulkov, deputy chairman of the Council of Ministers and foreign minister of the Republic of Bulgaria: "Bulgaria and Present-Day Europe"]

[Text] We view the new foreign policy of the Republic of Bulgaria, more precisely, its European orientation, in close connection with the radical socioeconomic and political changes of the accelerated peaceful transition from a totalitarian to a democratic society, a multiparty system and a market economy and clear respect for human rights and liberties which are being implemented in our country. The mission of Bulgarian foreign policy is to contribute to the creation of the international conditions most conducive to the implementation of democratic transformations in the country and assurance of the national security of the fatherland.

Unfortunately, the reforms in our country are taking place in a difficult international situation burdened by the crisis in the Persian Gulf and the imbalance of the international financial markets and also given other unfavorable factors.

Outlining our foreign policy principles, priorities, and emphases in accordance with present-day domestic and external realities, we are guided by the country's sovereign rights and vital interests, which define our new foreign policy as democratic and national and in keeping with principles common to all mankind. The philosophy of foreign policy is a sphere in respect to which there is the highest degree of consensus in parliament, among political circles and among public opinion in the country. We believe that our present strategy in the international arena is realistic and pragmatic and is of a multilateral orientation. Of course, its polyvalency by no means rules out the existence of priorities, one of which—the European orientation—occupies a paramount position.

This is perfectly natural and logical. Bulgaria is one of the oldest countries on the continent. We belong to Europe not only in terms of geographical and historical characteristics but also politically and spiritually. This is our natural environment, with which we are inseparably connected. Bulgaria is a center of Slavic literature and long-standing culture, and it has made its contribution to the development of the rich European civilization.

Even more important are the present-day motives of our aspiration to closer integration with and attachment to a united Europe and its current structures and those that are being built, for without such convergence and without the stimulation on our part of bilateral relations with other European states we cannot conceive of the accomplishment of the extraordinarily complex tasks confronting our state. This is why we see the European orientation as an international guarantee of the rapid peaceful implementation of and material support for reforms in our economy.

The European orientation of our policy is organically interwoven with a whole set of tasks pertaining to the rethinking, democratization, and exercise on new fundamental and equal principles of our relations both with such powerful countries as the Soviet Union and the United States of America, with leading world economic centers and with all partners in Asia, Africa and America.

In a period when the Warsaw Pact does not exist in practice we are profoundly interested in the development and effective interaction of all components from which a definite system of security and cooperation which is in keeping with the interests of all states and peoples of the old continent should take shape. Each participant must make its contribution thereto, taking into consideration the legitimate interests and hopes of all the other partners.

As we see it, the new architecture of Europe should obviously be based on the interaction of a whole number of organizations, institutions and processes possessing their own specific functions and complementing one another. This circle obviously includes such key components as the CSCE process, the Council of Europe, the EC, NATO, and the Western European Union and structures of regional cooperation on the continent which have already taken shape or are coming into being and the development and extension of bilateral relations and cooperation among all European states.

Bulgaria assigns an important role to the CSCE process, as an instrument of the safeguarding of its national interests and security and of increasingly close rapprochement with all the other European states on a basis of common values and development goals. For this reason we intend to continue to participate most actively on an equal basis in the further elaboration within the CSCE framework of common standards of interstate dealings and measures for building confidence and strengthening security in Europe and in the development of all-European cooperation in all fields.

The affirmation of such standards, in the sphere of democracy, the supremacy of the law, and the protection of human rights and liberties with all-European rules of behavior included, is, in our opinion, an extraordinarily important component of a future system of collective security in Europe. All this, incidentally, is borne out by the actual development of the CSCE process also. A certain evolution of its functions and structures, including a number of important institutions thereof which have been created recently, is a natural and, from our viewpoint, positive and promising phenomenon. Bulgaria has spoken in support thereof repeatedly.

At the same time Bulgaria attaches importance to a number of authoritative organizations such as the Council of Europe, the EC, NATO, the Western European Union and other structures, which, in our view, perform an appreciable and constructive role in Europe. They, obviously, rightly enjoy the important place which corresponds to their specific features and the need for the creation of a reliable system of European security under current conditions. Proceeding from this, Bulgaria aspires to the establishment and development of normal and close contacts with each such organization. We have of late taken a number of steps in this direction, in respect to Bulgaria's acceptance as a member of the Council of Europe, in which we have been accorded special invitee status, included. Mention should be made in this connection of the successful speeches of Zhelyu Zhelev, chairman of the republic [title as published], to the parliamentary assembly of the Council of Europe in Strasbourg and at the Global Pennal [Global penal] meeting in Amsterdam this April.

I would like to mention one further fact. The communique of the Council of Europe Foreign Ministers Committee in Madrid this February emphasizes that "the resolve of Bulgaria's political forces to successfully see through to completion the difficult business of political and economic reforms and also the considerable difficulties which the country is encountering are factors of this country's aspiration to affiliation with a system of European cooperation as quickly as possible."

Considering the fact that Bulgaria already subscribes to four of the Council of Europe's 145 conventions and that intensive contacts at governmental, parliamentary, and expert level are being implemented, our chances of becoming a full member of the Council and taking our place among the democratic powers of Europe in the very near future appear good.

The development of our relations with NATO and the Western European Union, which remain as yet the main pillars of European security, is aimed at Bulgaria's association with these organizations. Official relations with NATO have already been established. The chairman of our country's Council of Ministers recently visited NATO Headquarters in Brussels, where he held official negotiations with Manfred Woerner, general secretary of the organization. Herr Woerner is expected to visit Bulgaria this June. In the course of the visit of Zhelyu Zhelev, chairman of the republic, to Britain a Bulgarian foreign minister met with representatives of the Western European Union for the first time.

As the confrontation and artificial division of Europe are overcome, there will naturally arise against the background of the increasingly clear manifestation of new constructive tendencies in the development of relations between European states additional conditions for an intensification of cooperation at the regional level based on a similarity of problems and interests. A number of examples of the successfully developing regional cooperation of individual European states in the most varied fields is being observed in Europe even at this stage. Bulgaria views this fact positively and sees regional cooperation in Europe as an inalienable component of the all-European process within the CSCE framework, and such cooperation should, obviously, be exercised on this same basis and proceed from the same principles and prerequisites. Such is our fundamental approach also to regional cooperation in the Balkans, which, to our profound satisfaction and thanks to the constructive efforts of all Balkan states, has been developing very successfully of late.

Bulgaria's policy is aimed at the establishment of firm friendly and good-neighborly relations based on the principles of observance of sovereignty and territorial integrity with each Balkan state. We aspire to our bilateral relations in the Balkans not remaining isolated but becoming a factor of stability and security in the region.

Of course, the creation of a strong system of all-European security and cooperation corresponding to the interests of all European states is hardly conceivable without the further active development of the bilateral relations of each European country with all its partners. The European orientation of our foreign policy includes the updating or signing of new bilateral treaties with the states of the old continent. Extraordinarily propitious conditions for this are being created in Europe at this stage for the first time in many years. The preservation and further development of all that is positive that exists in Bulgaria's relations with its traditional partners on a par with the extension of relations and their elevation to a qualitatively new level of cooperation and mutual understanding with all European states is the essence of our understanding of the main aims and tasks of Bulgaria's foreign policy under modern conditions.

We aspire, naturally, to the preservation of all that is valuable in relations between Bulgaria and the USSR and the prevention of a lowering of the level that has been achieved and the positions which have been won. The deep-seated historical ties between our countries are a firm basis for the preservation and development of active, equal and mutually profitable relations. The purpose of the serious rethinking of various aspects of Bulgarian-Soviet relations that is being undertaken today is to infuse our cooperation with new content. Our mutual efforts geared to the preparation at the present time of a new Bulgarian-Soviet treaty from which extraneous ideological features and deformations are absent are subordinate to this purpose.

The profound changes which are being implemented on our continent obviously require of all participants in interstate dealings both an ability to view without prejudice the realities that are being created and an aspiration to the joint solution of complex present-day problems in the interests of all peoples.

These changes have converted Eastern Europe from a highly static into a most dynamic region. The impetus for this was provided by perestroyka in the Soviet Union, and this, in turn, has had an impact on the development of processes in it also. Relations between the "new East Europe" and West Europe are affording opportunities for a happier fate for the old continent and for a new European political and economic order—a model with a potentially colossal influence on the politics and economics of the whole world. Bulgaria is firmly resolved to participate most actively in this process.

In parallel with the questions within the framework of the CSCE the problem of assistance on the part of the West to the East European countries is becoming increasingly serious. The successful realization of the all-European process of security and cooperation will depend to a considerable extent on the rate of integration of these countries, Bulgaria included, in all-European structures and institutions.

Bulgaria sees in the combination and successful interaction of all these and also other elements, on the one hand reliable guarantees of its security and rising development and, on the other, real prospects for the creation of a peaceful, democratic, and prosperous Europe.

West Europe

Bessmertnykh Talks With Portuguese Leaders

LD0106084591 Moscow TASS in English 0814 GMT 1 Jun 91

[Text] Lisbon June 1 TASS—Soviet Foreign Minister Aleksandr Bessmertnykh met President Mario Soares of Portugal here on Friday [31 May]. They continued an extensive dialogue on all-important European and world issues to follow up on the recent talk in Moscow between Soares and President Mikhail Gorbachev.

The two politicians expressed deep satisfaction that efforts over many years by the international community, primarily Portugal, the USSR, the United States and the United Nations were crowned with an historic event such as the agreement to end bloodshed in Angola.

Both sides voiced firm intention to do everything to expand and deepen multi-faceted ties between the USSR and Portugal.

Bessmertnykh met and talked with U.N. Secretary-General Javier Perez de Cuellar. Bessmertnykh emphasised the thought that the Angolan settlement was one more example of the enhanced efficiency of the U.N. as an instrument for peace and accord, which can help solve even the most difficult and painful problems.

Giving due credit to Portugal's mediation role and the constructive assistance of the USSR and the U.S., Perez de Cuellar noted excellent cooperation displayed by Cuba which withdrew its servicemen from Angola ahead of schedule.

Perez de Cuellar said he planned to work vigorously to implement the provisions of his recent statement on Afghanistan, which evoked a very positive response from the international community. The Soviet side reiterated support for Perez de Cuellar's efforts to halt combat operations in Afghanistan, which is also an important goal of the Soviet diplomacy.

In discussing the post-crisis situation in the Gulf, the sides expressed the unanimous view about the need to do everything possible to alleviate the hardships that befell the Iraqi people.

The talk concerned prospects for convening a peace Middle East conference and the form of the U.N.'s participation in it.

Bessmertnykh met President Jose Eduardo dos Santos of Angola. He handed over to the Angolan president a message from President Mikhail Gorbachev and congratulated him on the historic event—the signing of the agreements on a peace settlement in Angola.

The talk, which passed in a warm and friendly atmosphere, which is traditional for Soviet-Angolan relations, highlighted that the sides' approaches to restructuring and improving international relations, changes in Africa and the situation in the Horn of Africa converged to a considerable extent. They noted that the experience of the Angolan settlement could be used to solve other conflicts in Africa and beyond it.

Bessmertnykh and dos Santos reiterated mutual interest in preserving, now in conditions of peace, positive traditions of Soviet-Angolan interaction. They pointed to the need to practice more efective and mutually beneficial forms of multifarious cooperation. Soviet-Angolan ties will continue to be maintained at a high level. The sides reached agreement that the Angolan foreign inister will pay a visit to Moscow soon.

Bessmertnykh met Jonas Savimbi, leader of the National Union for the Total Independence of Angola (UNITA).

Bessmertnykh expressed deep satisfaction with the agreements on peace in Angola and the convincing victory of realism.

Savimbi emphasised that peace in Angola would have been impossible had it not been for the revolution in international relations staged by President Gorbachev, who switched them onto the tracks of dialogue to replace confrontation.

Savimbi noted that the conflict in Angola, just as a host of other serious international problems that had been resolved over recent years, could not have been settled without the relationship of cooperation between the USSR and the U.S.

In discussing the forthcoming new stage in Angola's history, the Soviet side drew attention to the high responsibility of that country's all political forces. He emphasised the need to display restraint and flexibility to solidify the peace process in the supreme interests of the Angolan people.

Savimbi expressed interest in maintaining more regular contacts with the Soviet Union, which, he believes, will continue, alongside the U.S., to play the all-important role in ensuring a stable situation in Angola.

In developing relations with the Angolan Government, the Soviet Union will maintain vigorous contacts with all political forces of Angola, proceeding from the friendly feelings towards Angola and its people, Bessmertnykh stressed.

European Bank Head Invites Gorbachev to London

AU3105123091 Paris AFP in English 1140 GMT 31 May 91

[Text] London, May 31 (AFP) - Jacques Attali, president of the European Bank for Reconstruction and Development, has invited Soviet President Mikhail Gorbachev to come to London for a bank meeting, preferably in July, the bank said Friday.

But a bank spokesman refused to be drawn on whether Mr. Attali wanted Mr. Gorbachev's visit to coincide with a Group of Seven (G7) summit to be held in the British capital from July 15 to 17.

Mr. Attali had invited Mr. Gorbachev for a "working session" at the bank in July if possible, the bank said.

The G7, which groups Britain, the United States, Japan, Germany, France, Italy and Canada, is divided over whether Mr. Gorbachev should be invited to the summit.

EBRD President Invites Gorbachev To Visit

LD3105214991 Moscow TASS in English 2059 GMT 30 May 91

[Text] London May 31 TASS—President Jacque Attali of the European Bank for Reconstruction and Development [EBRD], that was established this year, sent an invitation to Soviet President Mikhail Gorbachev [to] visit the bank's headquarters in London for a working meeting, a spokesman for the bank said today.

The invitation says it is desirable to arrange the visit "in July if possible".

As is known, a regular annual summit meeting of the leaders of the world's seven most developed industrial nations is scheduled for July 15-17 in London.

The leaders of the United States, Germany, Japan, Canada, Britain, France and Italy will focus of the international trade expansion. The advisability of inviting the Soviet leader to attend the G-7 summit is now being extensively debated in the West. The G-7 summit will then be able to discuss wide-ranging financial assistance to the Soviet Union in order to help it with economic reforms. The majority of the G-7 leaders have spoken out in favour of this proposal, but the leaders of the United States and Britain have not yet made clear their stance.

The European Bank for Reconstruction and Development has refrained from pedalling the connection between bilateral consultations with the Soviet Union and the G-7 summit. TASS was told that similar invitations to consultations would in due time be sent by the bank to the leaders of all countries—members of this international financial organisation.

Russian-German Unification Group Formed

OW0306044591 Moscow INTERFAX in English 1500 GMT 31 May 91

[Unification of Russia and Germany: Just a Matter of Time?"—INTERFAX headline]

[Text] "The Russian-German Brotherhood" considers as its main purpose to work out a program "to achieve a state unity of Russia and Germany within the next 15 years," Gennadiy Bormotov, a founding father of the new movement which has sprung up in Moscow, told IF [INTERFAX].

According to Bormotov, the need for this unification arises from "close historical roots and a mutual interest both peoples take in each other."

He also said that his movement considered the Russian-German unification as merely a step to the creation of the "Union of European Arian States" which, in his view, might also include the Nordic and the Baltic states, the Ukraine and a part of Poland.

"There are people in Germany who share our views," Bormotov claims. "The Russian-German brotherhood" is going to hold its constituent congress soon which will approve its program and rules.

Gorbachev Congratulates Engholm on SPD Election

LD0206160191 Moscow TASS in English 1539 GMT 2 Jun 91

[Text] Moscow June 2 TASS—Mikhail Gorbachev today congratulated Bjorn Engholm on his election chairman of the Social Democratic Party of Germany.

"I confirm interest in developing relations with your party, which serve the cause of reconciliation between our two peoples, goodneighbourliness between the Soviet Union and Germany and the construction of a new Europe. I wish you success at your new post," the congratulatory telegram says.

Statement on Situation in Horn of Africa

LD3105113191 Moscow TASS in English 1047 GMT 31 May 91

[Text] Rome May 31 TASS—The Soviet Union and Italy closely follow the development of the situation in the Horn of Africa. They take note, in particular, of the recent events in Ethiopia that create new political realities in that country, and express concern over the dangerous development of the situation in Somalia, says a joint Soviet-Italian statement on the Horn of Africa.

The statement was adopted on Thursday during talks between Soviet Foreign Minister Aleksandr Bessmertnykh and his Italian counterpart Gianni de Michelis.

The Soviet Union and Italy, which consistently come out in favour of ending the protracted sanguinary conflict in Ethiopia through a broad political dialogue and talks, are prepared to support every opportunity for a peaceful transition to a democratic reorganisation of the ancient Ethiopian state with which they are linked by long-standing friendly relations, the statement points out.

Positively evaluating in this context the decisions taken in London to convene a conference to form a broad-based provisional coalition government in Ethiopia, the USSR and Italy express readiness to promote this initiative concretely and directly and intend to maintain and develop contacts with all influential forces of the country.

The two sides urge all political forces in Somalia to reach an internal accord, which is necessary to create conditions for the solution of the acutest socio-economic problems of the country.

They are convinced that reconciliation in Somalia depends on finding a fair political solution acceptable to everyone and, with this prospect, reaffirm their support for any efforts towards political and economic restoration of the Somali state and the maintenance of its territorial integrity with due regard for the objectively existing diversity.

The Soviet Union and Italy are requesting the international community, organisations and all countries that have influence in the Horn of Africa and are interested in stability in the region to urgently promote the creation of initial conditions necessary for the resumption of politial dialogue in the countries of the region and, as far as possible, to render emergency aid to the population that suffered from conflicts.

They recognise that the United Nations Organisation could play a big role in this respect.

First Deputy Foreign Minister Arrives in Helsinki

LD0306033591 Moscow TASS International Service in Russian 1545 GMT 2 Jun 91

[By TASS correspondent Arkadiy Prisyazhnyy]

[Text] Helsinki, 2 Jun (TASS)—V.Kh. Doguzhiyev, first deputy prime minister of the Soviet Union, arrived in the Finnish capital for a four day visit today.

"Certain complications have arisen in trade and economic relations between Finland and the Soviet Union in the last few years," he said in a conversation with journalists. "This is explained to a significant degree by the economic reforms in our country. To a certain degree the joint decision on new forms of payment has also contributed to the situation. But regardless, the Finnish side and we, ourselves, wish to hold talks and find mutually advantageous and mutually acceptable solutions to problems that have arisen in the area of trade and economic relations. The visit's agenda envisages discussion of issues connected with protecting the environment."

Yazov Meets German Environment Minister

LD0306093191 Moscow TASS in English 0856 GMT 3 Jun 91

[Text] Moscow June 3 TASS—Soviet Defence Minister Dmitriy Yazov today met German Minister for the Environment, Conservation and Reactor Safety Klaus Toepfer.

They discussed issues of mutual interest.

FRG Official Meets Gorbachev on G-7 Summit

LD0106144891 Hamburg DPA in German 1344 GMT 1 Jun 91

[Excerpt] Moscow (DPA)—Horst Koehler, secretary of state at the Federal Finance Ministry, talked with the Soviet head of state and party leader Mikhail Gorbachev in Moscow on Saturday about his possible invitation to the next world economic summit. This was confirmed by Enno Bakker, head of the press office of the German Embassy in Moscow. Koehler came as the personal envoy of Federal Chancellor Helmut Kohl. Koehler told Gorbachev that Germany was in favor of his being invited to the meeting of the leading seven Western industrial states (G-7) in London in July, Bakker said. During the talks, the secretary of state discussed with the Kremlin leader the way to achieve possible attendance. No details were given about the form in which Gorbachev might come together with the G-7 leaders. [passage omitted]

Denmark Favors Extending $250 Billion Aid to USSR

LD0206170991 Moscow Radio Moscow World Service in English 1600 GMT 2 Jun 91

[Text] The Danish Government and most members of the Danish parliament favor the idea of extending economic aid to the equivalent of $250 billion to the Soviet Union.

Danish Foreign Minister Uffe Elleman-Jensen has said his government feels economic aid to the Soviet Union meets the interests of the West European nations. He is confident the 250 billion can be raised through concerted effort of the United States, Japan, and the European countries.

Latin America & Caribbean

Initiative on Cuba: 'Confrontation' Continues

PM3105115291 Moscow IZVESTIYA in Russian 30 May 91 Union Edition p 5

[Report by A. Kamorin report: "Following G. Bush's 'Cuban Initiative.' Confrontation Continues"]

[Text] Havana—U.S. President George Bush has advanced an initiative concerning American-Cuban relations. He offered Fidel Castro "a significant improvement in bilateral relations" in exchange for the fulfillment of certain conditions, and "not tomorrow, not sometime, but now, immediately."

First, this means the release of all political prisoners and investigation into cases of alleged human rights violations. Second, the holding of free general elections under international supervision. And third, noninterference in neighbors' affairs. The last demand, I believe, was of a symbolic nature; the new situation in Central America and the situation in Cuba itself make the "export of revolution" an unrealistic affair.

I believe that George Bush suspected that the hand that is held out on those terms will be rejected. It is hard to imagine that the government of a country that, as Raul Castro once said, would sooner sink into the sea than renounce socialist principles, would play electoral roulette.

In addition, free elections of a western type presuppose the existence of opposition parties and their access to mass media, which is simply unthinkable in a state where the one-party system is solemnly proclaimed as one of the principles R. Castro was speaking about.

As was to have been expected, the answer to Bush's initiative came in the form of a wordy leading article in GRANMA, abounding in epithets which it would be hard to call parliamentary. A loud "no" echoed in response to the latest imperialist intrigues. Such exchanges of blows are nothing new in Cuban-American relations. However, today they make you reflect seriously.

The international congress of the Caribbean Studies Association ended recently in Havana. Former Governor of Arizona Bruce Babbit, who delivered a report there, made it clear that the United States is hoping for a repetition of the Nicaraguan option in Cuba. However, this is the very experience (which resulted in the Sandinistas' losing the free elections) that was so badly received by the Cuban leadership, which makes these calculations on the part of Washington even more futile.

Far be it from me to idealize the American position with respect to Cuba: For the United States democracy is wonderful, but primarily as a method of removing Fidel Castro's government. I am prepared to argue with ex-Governor Babbit, who affirms that if Castro wins the free elections, Washington will immediately embrace him. After all, the Nicaraguan experience is not restricted to 1990. There were also the elections of 1984, won by the Sandinistas, which the United States declared rigged, despite the international supervision.

On the other hand, the Cuban position should not be considered irreproachable either. It stands to reason that questions connected with holding elections and rights and freedoms are primarily the internal affair of each individual state. If the Cubans want to have one party and read one daily newspaper belonging to this party—that is their right.

However, adherence to principles does not preclude realism. It would probably be useful for everyone if instead of an angry rebuke in GRANMA, there was a concrete counterinitative from the Cuban Government. In fact, Cuba's proposals are well known: First the lifting of the blockade, then talks without preconditions. This is attractive but unattainable. I dare say that Havana understands that the United States will not let its main weapon out of its hand until the last moment and the lifting of the blockade is not the beginning, but rather the end of the road.

Continuing Soviet Presence in Cuba Justified

PM3105142091 Moscow PRAVDA in Russian 25 May 91 Second Edition p 5

[Correspondent A. Moiseyev answers reader's query under the "Question-Answer" rubric—first paragraph is reader's query: "Those Who Are 'Present' in Cuba"]

[Text] "Public opinion in our country is against the presence of Soviet troops on foreign soil anywhere. Our soldiers have left Afghanistan and are returning from a number of East European countries. However, it seems to me that everything is being done to hush up the USSR's military presence in Cuba. Perhaps PRAVDA can clarify this question: Are our servicemen going to return from that distant isle, too?

"V. Rybkin, Leningrad."

Havana—As is well known, the first military specialists from the USSR arrived on the island at the Cuban

Government's request at the end of 1960 and the beginning of 1961. That was an anxious time for the revolutionary republic: There was a real threat of armed intervention. Furthermore, counterrevolutionary forces supported by the U.S. Administration attempted to land in Cuba at Playa Giron in April 1961 but were routed. Soviet military instructors trained Cuban fighters in the fundamentals of military science and in using modern combat hardware. The result of over 30 years of cooperation in this sphere was the creation of one of the most modern and well trained armies in Latin America, which was a serious deterrent against a background of strained relations between Cuba and the United States.

The so-called "training brigade" is in the republic to this day: Its main efforts are aimed at helping people learn how to use more modern and complex military hardware and resolving tasks of the use of troops in accordance with the Cuban concept of war of all the people.

As for the future of Soviet-Cuban military cooperation, I shall cite the authoritative opinion of a specialist. USSR Deputy Foreign Minister V.D. Nikolayenko recently visited Havana, where he discussed this problem a number of times with both the Cuban and U.S. sides. Addressing journalists here, he explained that "our military presence in Cuba depends directly on the level of its security. Cooperation in this area is not aimed against 'third countries' and is purely defensive in character. Only when the reasons for giving this kind of aid disappear," he said, "will both states be able to examine the question of ending it. But those conditions do not exist yet."

From time to time people talk all sorts of nonsense about our military presence in Cuba. Some cite fantastic figures about the size of the "training brigade," others make up "myths" about weapons supplies. Recently, for example, there was a "rumor" that the U.S. special services had spotted some SS-20 intermediate-range missiles on the island. The USSR Defense Ministry officially denied this. You will recall that all missiles in this class have been destroyed.

I should like to remind you of another foreign military presence on Cuban soil. It goes back much further. Much has been written in the past about the U.S. naval base which has existed at Guantanamo since 1903. Now it has been forgotten for some reason. Nevertheless, the Cuban Government and people constantly demand its removal.

Radio Peace and Progress Ends Broadcasts

PY3105222291 Moscow Radio Peace and Progress in Spanish 0300 GMT 31 May 91

[Sign-off remarks by unidentified Radio Peace and Progress announcer]

[Text] Dear listeners: This was the last broadcast of Radio Peace and Progress, the mouthpiece of the social organizations of the Soviet Union.

The reorganization of the USSR State Committee for Television and Radio Broadcasting also involved our radio station. This committee was not in a position to liquidate us because the Soviet social organizations were our founders. Nevertheless, in this case we were deprived of the goods and equipment required for our mission. They belonged to the Soviet State Radio and Television Company [Compania Estatal Sovietica de Radio y Television] as the previously mentioned committee is called now.

Our radio station team gives its heartfelt thanks all Indo-American [as heard] people and people from other latitudes for their kindness in listening to us all these years and to all those people who exchanged correspondence with us.

You will be able to listen to many of our journalists on the waves of Radio Moscow where they will work from now on.

Dear and respected listeners, we hope that our radio station Peace and Progress has made a contribution to the strengthening of peace among the peoples.

Goodbye and good luck!

Supreme Soviet

Pavlov Encourages Foreign Investment Law

LD3005081691 Mocow Central Television Second Program Network in Russian 1845 GMT 29 May 91

[Speech by Valentin Pavlov, chairman of the USSR Council of Ministers, at the USSR Supreme Soviet session in the Kremlin in Moscow on 29 May, from the "At the USSR Supreme Soviet Session" program—recorded]

[Text] Fundamental reform of the administration of the economy and the transfer to market relations are indissolubly linked to the implementation of the course leading toward openness of the economy and its active inclusion in global economic relations. For this to occur, it is necessary to create conditions that will allow our country to fully use the advantages of the international division of labor by becoming part of the community and ensuring our country's deserved place within it as a member with full rights. The most recent history of the development of the world community provides convincing evidence that no single country that remains in a closed space on the path of autarky, no matter to what sociopolitical system it belongs, can achieve any noticeable economic successes. On the contrary, those who were ahead are beginning to lag behind.

The main route to development can only pass through openness, competition, and the cooperation of participants in a single economic space. This holds true both for our country as a whole and also the entire world community. Proceeding from this conceptual approach, the question of the role and significance of foreign investments for our economy occupies a pivotal position in the government program. For an acceleration of the development of the economy and a successful transfer to the market, we need sources of finance in addition to national ones, which would be a very important supplement.

Foreign capital investments, in our opinion, could play an important role in providing large-scale modernization of the Soviet economy, and its structural reconstruction first and foremost through demilitarization. It is impossible to close our eyes to the progressive aging of our fixed assets. Their obsolescence rate has now grown from 38 percent in 1985 to 42 percent in 1990. Moreover, our investment sphere today is left without the necessary money. In the 12th Five-Year Plan almost all of the growth in the country's national income went toward consumption.

On the whole, the value of the fixed assets in need of replacement is today put at 500 billion rubles [R]. Of this, according to our information, more than R50 billion worth must be withdrawn from use immediately. At the same time the annual volume of machine and equipment production in our country is today around R60 billion. Therefore, the question constantly arises: Under these conditions, can we cope with the task on our own? Personally I always reply in principle, yes, we can, but a second question immediately arises: Is it necessary to do this?

First of all, this will take a longer period of time. Second, we should make it clear to ourselves that, all the same, we shall have to pay for this. The important thing is how we do this. As this has already happened in our history several times before, if we are to do this ourselves we shall have to pay for this with our standard of living, our health, our national resources, and similar things. Therefore, the influx of significant volumes of the foreign investments into the country—state investments as well as private ones—could speed up and ease the task which the economy of the country cannot avoid. Moreover, the problem lies not only in the volume of foreign investments. The quality of their contribution to the development of the country's economy is no less important. Foreign capital is not just money. They, and sometimes only they bring into the country advanced technology, intellectual potential, and management experience. It is no accident that the Coordinating Committee for Multilateral Export Controls and restrictions on the export of many of equipment and technology into our country exist. Foreigners can also directly transfer to us, into our national economy, market practice, knowledge of the market, and its mechanisms and institutions. Direct private investments from abroad are also giving us the additional freedom to maneuver in foreign economic ties. This ranges from increasing the degree of raw materials processing and import substitution to the development of the export base, without which our participation in world economic ties will always be limited.

Of course, here as everywhere else, there is a question of the balance between the pros and cons of such a policy, and its consequences for economic growth on the one hand and economic security on the other. Of course, the activities of foreign investors in our country are associated with the appearance of foreign property in the USSR. Competition with foreign firms will offer little comfort for many. And we have no right to ignore these aspects. But all the same, with all the considerations, overall objective assessment convinces us that attracting foreign investment into the Soviet economy should be not an opportunistic but a strategic course toward integration into the world community. It is not just today that we have embarked on this course, but practically four years ago. Foreign capital operations on the territory of our country have been permitted by the decree of the Supreme Soviet Presidium in 1987. During the past few years, the legal, economic, and organizational foundations for foreign capital operations have been laid.

The main form of that activity up to now has been joint enterprise—that is, the creation of enterprises with the participation of Soviet and foreign capital. Joint enterprise on the territory of the Soviet Union in the period that has elapsed is characterized by clearly delineated quantitative growth indicators and dynamism. Both were a direct consequence primarily of the evolution of the legal base in that sphere and also a result of our progress along the road toward a market economy and the degree of its openness.

At the present time, over 3,000 joint enterprises with 73 countries of the world have been registered on the territory of the country, including 1,613 in 1990, or 50 percent more than in 1989. Our main partners with regard to joint enterprise are firms in the FRG, Italy, Austria, Finland, and Great Britain. The total capital of the authorized funds of joint enterprises has reached R7 billion. Of this, 38 percent—which is put at R2.7 billion—is accounted for by foreign participants. Thirty-five percent of those registered enterprises are actually carrying out production activities today. They have produced today and have tendered production [as heard] which was basically the ultimate purpose of the organization of such enterprises. In all, there are 840 of them today, that is, producing output and providing services. In 1990, their production valued R4.3 billion, having increased volume almost five-fold. The largest number of enterprises, 430, was registered in the industrial field. The output of the joint enterprises in that sector also occupied the leading place, 53 percent, in the total volume of production by joint enterprises, and was estimated at the sum of R2.3 billion. The export of production and services by joint enterprises doubled in 1990 as compared with the previous year and amounted to R300 million. It was effected to 54 countries of the world, mainly for freely convertible currency. Moreover, imports doubled and amounted to R1 billion. But here it is necessary to bear in mind that half of those imports are accounted for by machinery and equipment, mainly as the contribution by foreign participants to the authorized fund. In 1990, joint enterprises employed 104,000 persons, of whom 1,000 were foreigners. This brief review illustrates the individual tendencies of the activities of foreign capital in our country.

But I once again draw your attention to the fact that it is above all a quantitative growth and dynamism. On the whole it is necessary to point out that today we are far from being satisfied with both the quantitative influx of foreign investments and the qualitative aspect of their impact on the country's economy. It is necessary to point out that the political situation in our country, the interethnic squabbling, and the absence of legal framework are among the main reasons for this phenomenon.

Allow me to dwell on the economic difficulties in greater detail. First and foremost, it is the general state of the economy—uncertainty as to the return on resources that have been invested. Besides, as a purely market structure, joint entrepreneurship was rather difficult to squeeze into the framework of our administratively regulated economy. First, it concerns domestic economic policy on the one hand and a mechanism for the implementation of this policy on the other. First of all, economic priorities and a clear position in the economic policy regarding the attraction of foreign investments were absent. Of course, this did not help the matter itself and put potential investors on their guard.

Further, I would like to name such an obstacle as the disorganization of the material and technical supply to joint enterprises. Well, it has been known that up to now we built our material and technical supply, especially of the resources of raw materials, mainly on distribution principles. Joint entrepreneurship was not included in the sphere of distribution.

Such factors as the considerable disproportions that existed between world and domestic prices in our country, and the absence of a mechanism to effectively regulate them by means of tax levers should also be cited today. The reasons also include the nonconvertibility of the ruble, the acute shortage of professional cadres, the absence of a single information system, and others. In general, this list could be extended. But it is clear that all this stood in the way of attracting foreign investments into the country and lowered the role and significance of the efficiency of using incoming foreign investments in the national economy.

In general, I would like to say that we simply did not have a real and planned management of foreign investments and a clear-cut understanding as to where our priorities lay in utilizing them, in what sphere and on what principles.

Our negligence in regulating this process was often the reason for blatant violations of the current economic and administrative legislation, speculation, and similar phenomena.

It is on the basis that in certain circles a distortion has already taken place of the very concept of foreign investments. Voices are being heard ever more loudly which are calling not only for their activities to be limited in our economy but simply to stop their influx.

I should like to say once more that world experience and moreover the state of our economy dictate precisely the reverse. Today it is necessary to encourage in every way the influx of foreign investments, at the same time increasing their impact on the economy of the country as a whole by improving the mechanism of the management of the process itself through legal and economic levers.

This may be in various forms, but it should be especially stressed that the process of attracting foreign investment must be organically linked to the process of dismantling state controls. In principle foreign capital can and must participate in this process on an equal footing with domestic business, but at the same time the game must be played in accordance with precise rules and with certain priorities.

In principle two kinds of foreign finance are available to us: foreign loans and credits, and direct private investments. I must today report to the Supreme Soviet that loans and credits have their limitations, and very substantial ones at that, as they are directly linked with the state debt, with the balance of payments, and with the budget deficit. As you know, we have all these elements present today.

Moreover, it is also important to note that the effectiveness of the use of foreign loans and credits, as practice—including by our country—shows, is in the overwhelming majority of cases lower than the effectiveness of private investments. I am not even speaking of the fact that the conditions for obtaining loans and credits on the world market are now very tough and are constantly being tightened. That is why the most rational source of additional finance for the economy's requirements we see today lies in direct private investments. In principle there is nothing new here. This is the experience of the world. But in practice this source must also be regulated by legislation.

As regards its volume, as regards its potential possibilities one must bear in mind that it does not have any restrictions. So we see our task in creating the appropriate economic and legal conditions in our country with a view to encouraging the influx of these funds into our country.

It is important to note here too that in principle there exists a world investment market with its laws and conditions. That is why it goes without saying that if our conditions—political, economic, social and the like—are worse than the generally recognized world conditions no foreign capital will come to us. They, as you can also see today, are not in very much of a hurry to invest money in our economy, and this we must clearly see.

That is why the law which has been submitted for your examination is precisely aimed at resolving this task of creating the legal conditions for the further activity of the executive authorities and the union republics.

The draft law provides first of all for the creation of the appropriate legal basis for the operation of foreign capital on the Soviet Union's territory. Here we took into account both world experience and the conditions of the world capital market, above all what we have accumulated in the past four years. We proceed from the fact that legal norms for regulating the operation of foreign investments accumulated by the world community must in principle be applied in our country, first taking into account its features and the specific nature of our economic life. From the time that the draft law was submitted to the Supreme Soviet, quite a few amendments have already gone through to build up the legislative basis for regulating our socio-economic life. That is why the Supreme Soviet adopting the corresponding legislative acts has also required introducing corrections into the draft law being submitted. This work was carried out with the USSR Supreme Soviet committees for international affairs, for capital construction and architecture, for legislation, for economic reform, and also with the commission for economic relations with the union republics. As a result the draft submitted to your examination was produced.

As far as the amendments introduced are concerned, these have already been reflected in the document's name, since today it is called the fundamentals of legislation. This has been so arranged because in the draft treaty on the union, published on 9 March of this year, foreign economic regulation was assigned to the competence of the union and the republics, with the union elaborating the fundamentals of legislation in this sphere.

It is necessary to point out here today that the status of the Union and the republics, which has still not been finally determined from the point of view of the strict demarcation of powers, rights, and obligations, serves as an obstacle at this time for a more precise wording of the points within a number of articles that the legislation is based. The main peculiarity of the basis is the spreading to foreign investors of a national regime of the regulation of investment activity. This practice is generally accepted in the world. At the same time, the draft basis determines those spheres where the activity of foreign capital is either restricted or prohibited.

The second fundamental question proposed to be solved by means of the basis is the protection of and guarantees for foreign investments. This point was originally not included in the draft because it was meant to be a general norm that would be set out in another law. However, in connection with the basis of legislation on investment activity in the USSR, which came into effect 1 January of this year, the International Affairs Committee considered it necessary to repeat this norm in the present basis, too. This is Article 9. We agree with such an approach with one condition, and that is that compensation to a foreign investor in cases of nationalization, requisitioning, and confiscation will be conducted based on the market cost of property in the currency in which the investments were made. I believe that this addition would be the correct one.

Now, here are the main points set out in the remaining part of the draft. Here, the circle of participants has been widened. In other words, it points to the fact that corporate bodies, individuals without citizenship, foreign states, and international organizations may be foreign investors. Here, the right is given to set up enterprises with 100 percent foreign capital. The activity of enterprises may be broadened in any forms which do not contradict the acts of legislation of the USSR and the republics. It is borne in mind that—apart from joint enterprises—joint-stock companies, limited companies, partnerships, and even individual activities may be set up. A legal regime for foreign investors, no less favorable than that for Soviet enterprises, organizations, and citizens, save for the exclusions which are provided for by this basis and acts of legislation of the republics is being set up. Well, this may apply, for example, to national security and the environment.

With the purpose of freeing the activities of enterprises with foreign investments, it is proposed on the basis to give the right to export the output of one's own production and to import output for one's own requirements without licenses.

At the same time we believe that taking into account our present reality, such wording should be made more precise. Taking into account our views and practice, it seems to us more proper to write that the products of personal production and investments can be imported and exported—well, imported above all—without licenses. As practice shows, the wording "for personal needs" turns out to be so flexible that everything you keep on talking about is being presented as personal needs; these include luxury cars, video equipment, and everything else one would desire.

In connection with this, when making this wording more precise—I mean that deputies can discuss this issue in greater detail later—that property brought into the USSR as the contribution of a foreign investor to the authorized capital of the enterprise should, within the time scale of its being formed, be exempt from customs duties and taxes on imported goods. Thus, we believe the system for taxing the enterprises' export product and the import of goods will be simplified from the point of view of setting up and developing the production process.

The basis which has been presented envisages that the property of enterprises with foreign investments may be used by them as a security for all kinds of their obligations, including the attraction of loaned funds.

Foreign investors and enterprises with foreign investments may be given land for their use, including the lease of it in accordance with the legislations of the USSR and republics on land. By proposing this, first of all we have in mind the possibility on the part of enterprises to pledge their property rights as a security for all types of obligations. It is, all in all, not just a guarantee, it is the responsibility of an owner and a leaser to the banks, and without solving this issue—I stress—without solving this issue the attraction of capital will not take place.

With the purpose of setting to rights the creation and activities of enterprises with foreign investments, it is proposed to set the time scale, the size of the contribution, and the procedure for every participant to contribute to the authorized capital, and this should be provided for in the articles of association. In our opinion the participants in a joint enterprise must fully contribute their assets to the authorized capital in accordance with the time scale set out in the articles of association.

If one year after registration there is no confirmation of deposit of 50 percent of the investment in the particular enterprise, it is recognized according to our proposal as invalid. This is done because today we have masses of examples when individual foreign participants sign all the founding documents without depositing into their authorized capital even one-tenth of their obligations toward it. At the same time such an enterprise under our legislation, as you know, receives substantial enough tax concessions. In this connection this kind of legal regulation is proposed.

The draft fundamentals also envisage granting foreign investors rights to concessions for the exploitation of natural resources carried out on the basis of concessional contracts concluded with the bodies of state administration of the republics in line with the procedure defined by the legislative acts of those republics.

In addition to the provision on concessional contracts—that is article 40—and in accordance with the anticrisis program, work is currently being conducted to draft a legislative act on the procedure and terms for granting concessions on the territory of the USSR to foreign states and companies. It is also planned to define the most important types of cooperation with foreign entrepreneurs in the field of exploitation of natural resources in the USSR and other types of economic activity, singling out concessionary agreements, agreements on the allotment of the marketed output, on the creation of joint enterprises in the field of use of resources, contracts on provision of services, and so on.

This legisative act will precisely demarcate the rights and obligations of the host side and the concessionaire. In it there should be precise definition of the mechanism of the functioning of the agreements and stipulation of the time schedule, the procedure for resolving disputes, elucidation of questions of insurance, accountability, control, supervision and also terms of payment, procedure for marketing of ready output, fixing of taxes, and tax concessions.

It will also list the spheres of the national economy in which concession contracts and other forms of agreements can be concluded. We proceed from the view that, in addition to the real fundamentals and the legislative enactment on the procedure for awarding concessions on the territory of the USSR, legislative enactments of the USSR and the republics will be additionally drawn up in the future on mineral wealth, as well as similar draft laws on specific spheres of activity—on oil and gas resources, and on enterprise in the mining and quarrying industry, in forestry, in fishing and in extracting marine products—in which, in our view, the specifics of the activities in those sectors of the national economy will be reflected.

In general, there must also be a separate conversation about the fact that, unfortunately, one has, in practice, to contend, well, in general, with ignorance of legal matters, of the world community and of world practice, and in that sense, sometimes the solutions proposed by our entrepreneurs, and even our ministries and departments are at fault owing to their very serious weakness from the point of view of the defense of our interests. Unfortunately, we do not yet know how to defend ourselves legally, and, in that sense, the draft fundamentals of legislation must, nevertheless, provide a base on which this defense must later be legally and competently built. But today all that is still at the level, well, I would say, of amateur conversation, and here one often chances to see that the conditions for interaction between our economy and foreigners depend so much on the luck of the draw with regard to our specialists who are engaged in it. If one ends up with strong, competent people, then the terms of an agreement are profitable.

The question of free economic zones is also included in that law. That is article 41. It is also world practice, but it must be borne in mind that, taking account of the fact that today decisions are already being made about creating free zones, let us say, in Leningrad and Nakhodka, but, you understand, throughout the world there are different economic zones.

And in this sense then both the legal regulation and all enterpreneurial activity in these zones must be constructed not simply on the principle of proclaiming freedom, or I do what I want; a law must also be in effect there, a law which will pursue the end of not just attracting capital, but attracting capital taking our priorities and our interests into account.

It is necessary to take into consideration the different character of free enterprise zones, and therefore the goals which must be pursued when creating them. Hence it is proposed that the procedure for implementing the economic activities of enterprises is established by the legislation of the union and the republics, and the decisions of the appropriate soviets of people's deputies, each within the limits of their competence. For this reason the decision on creating each zone must be taken according to the procedure established by republican legislative acts.

We consider that today, in order to regulate economic activities and investments, it would probably be correct to have a coordinating union-republican body, in which representatives of the republics would participate. Such a body could carry out all the functions connected with foreign investments, both in our country and abroad, provide the appropriate information, coordinate activities, give help to both our enterprises and also foreign investors, keep a state register, and regulate and assist the development of enterprise in free economic zones. Regulations of concession enterprise must also be its responsibility.

In principle we consider that on the whole the adoption of the present basis is a necessary and timely step, and will assist the influx of foreign investment into our national economy and will help us get out of the crisis.

Supreme Soviet 29 May Debates Reported

PM0306093191 Moscow IZVESTIYA in Russian 31 May 91 Union Edition pp 1, 3

[Report by parliamentary correspondents A. Stepovoy and S. Chugayev: "Most-Favored Status for Foreign Investments"]

[Excerpts] The draft basic principles of legislation on foreign investments in the USSR was approved at its first reading by the union parliament at the end of the 29 May daytime sitting. In our previous reportage we had already reported that this document of very great importance for our economy was submitted to the USSR Supreme Soviet by the country's prime minister. [passage omitted]

The prime minister's convincing presentation of the draft law, no less convincingly supported by his opponent F. Tabeyev, deputy chairman of the USSR Supreme Soviet Committee for Foreign Affairs, had an effect. Of the 12 deputies who took part in the debates only one—Deputy Ye. Sokolov—resolutely opposed it. In his opinion the adoption of the draft law is evidence of the complete collapse of the economy created in our country and its transformation "if not into a colony, then into a semicolony." The draft law was adopted at the first reading by a majority of votes. The second reading may be expected to take place in June.

At the session's 29 May evening sitting it was planned to finally adopt at the second reading the draft basic principles of civil legislation. As we have already reported it remained for the deputies to discuss and vote for the four concluding sections of this big draft law. They are devoted to copyright, the right to an invention, inheritance law, and the legal capacity of foreign citizens and corporate bodies. Keen debates developed around the article which discusses who should have the right to an invention made while undertaking an official mission. Some deputies, supported by the USSR Academy of Sciences, the Visa and Registration Department, and the government representative, expressed themselves in favor of the right belonging to the organization in which the invention was made. Another section, and this was supported by the USSR Supreme Soviet committee for legislation and law and order, favored the right belonging to the author.

But this contradiction was not successfully resolved by voting. Four times during the sitting A. Lukyanov, who was in the chair, announced registration, and each time the figures on the board failed to show a quorum. It turned out that at the time the deputies from Azerbaijan were taking part in some other event. Thus the lack of just one republican delegation can immediately make the union parliament ineffectual.

By the end of the sitting the Azerbaijani deputies appeared in the auditorium and this enabled the Supreme Soviet to ratify the agreements on the encouragement and mutual protection of capital investments concluded by the USSR Government with the governments of the PRC, Canada, Britain, Belgium, Luxembourg, the Netherlands, Switzerland, Finland, Spain, the FRG, France, Italy, Austria, Turkey, and the Republic of Korea.

But, as the chairman recognized, the quorum was so precarious that it was decided to carry out the voting on the other sections of the draft basic principles of civil legislation at the next joint sitting. It will take place 31 May.

New Law Guarantees Inventors' Patent Rights

LD0106025191 Moscow TASS in English 1407 GMT 31 May 91

[By TASS correspondent Ivan Ivanov]

[Text] Moscow May 31 TASS—The Soviet parliament today adopted a law on inventions in the USSR, with 303 deputies voting for it, 11 against and five abstensions.

The law determines legal, economic and organisational principles for the protection of inventions under a market economy and for the equality of various forms of ownership.

Compared with the previously effective norms regulating inventive activities, material incentives to inventors have been considerably enhanced. Provision has also been made for taxation privileges for businesses that introduce inventions to production.

When presenting the bill to deputies, Vladimir Bolbasov, spokesman for the parliamentary group for drafting the bill, said that virtually inventions have been proclaimed a commodity and object of economic market turnover which is important during transition to market relations in the country.

Under the provisions of the law, a single form of the protection of inventions is introduced in the USSR—a patent which guarantees the inventors' rights. The document envisages employer's right to the so-called employee's invention devised in the performance of one's official duties in an organisation.

The rights to employee's inventions "have been balanced out and the interests of both the inventor and employer are taken into account", Bolbasov said.

Upon the adoption of the law several state agencies are to be established: a USSR State Inventions Foundation, a USSR State Patents Agency and a USSR Patents Court.

During the discussion of the bill, some deputies argued that it did not uphold the interests of inventors well enough at a time when employers can, under some conditions, become full owners of inventions and, thereby, the copyright would be violated.

On the other hand, Leonid Danilov, a deputy from the All-Union Society of Inventors and Innovators, said that a delay in the introduction of new norms of the remuneration of inventors' work might prompt talented engineers and technicians to leave the country in quest of higher earnings.

Supreme Soviet Marks Second Anniversary

LD0306100291 Moscow TASS in English 0954 GMT 3 Jun 91

[By TASS correspondent Ivan Ivanov]

[Text] Moscow June 3 TASS—Two years ago today, in 1989, the Soviet parliament was for the first time in many years elected democratically.

"The parliament has done a lot of work during this difficult time," Soviet parliament chairman Anatoliy Lukyanov told the legislature today.

The parliament held about 400 meetings, discussing more than 300 key domestic issues, Lukyanov said.

"The parliament prioritises economic issues, reforms and the movement to a market," he said, adding that these issues account for a third of the legislature's agenda.

The legislature passed "seven major bills on ethnic issues and several resolutions on relations between republics," he said.

During the two years, the Supreme Soviet and congresses of people's deputies passed 113 key bills, including on property ownership, land, leasehold, entrepreneurship and environment, he said.

Several deputies expressed alarm over attempts to complete the new Union treaty without the parliament.

Lukyanov said he will "toughly and firmly insist on the participation of the Supreme Soviet" in preparing and signing the treaty.

However, since the treaty will be signed by republics, the Union parliament "should respect republican opinion," Lukyanov said.

Political & Social

'Communists for Democracy' Planning Party Split

LD3105194691 Moscow Radio Rossii Network in Russian 1100 GMT 31 May 91

[Text] The organizational committee "Communists for Democracy" plans to convene a constituent congress of the independent political party of communists of a democratic tendency, Aleksandr Rutskoy, leader of the movement, reported. Observers name Aleksandr Yakovlev and Eduard Shevardnadze as possible leaders of the new party. Evidently, it is a question of formalizing organizationally the split in the CPSU, which has already taken place. So, Nikolay Ryzhkov and Yegor Ligachev have already made their choice by drawing closer to the leadership of the Central Committee of the Russian Soviet Federated Socialist Republic Communist Party.

In the meantime, new cuts in the apparatus of the CPSU Central Committee—almost by half by the beginning of

June—are looming. As well-informed sources believe, the true purpose of this action will make the split in the Party less painful. Meanwhile, suggestions are being expressed that the top leadership of the CPSU would find itself above the skirmish, as it were, and this would allow it either to respond to appeals that top state officials are above party allegiance, or to join the democrats if a majority of CPSU members follow them.

CPSU Adopts Resolution on Primary Cells

LD3105192891 Moscow TASS in English 1842 GMT 31 May 91

[Text] Moscow May 31 TASS—The Secretariat of the Soviet Communist Party Central Committee [CC] met on Friday under the chairmanship of the deputy general secretary Vladimir Ivashko to discuss a number of issues, including the role of primary party organisations in work collectives under new conditions, the CPSU CC press centre announced today.

Primary Communist Party organisations are now facing the difficult task of reconsidering the role they play in work collectives and looking for new forms and methods of work corresponding to new conditions and capable of rallying communists around specific projects.

It was stressed during the discussion that the increasingly frequent calls from opposition forces in some places for withdrawing Communist Party committees from enterprise premises do not mean that the party organisations should withdraw from work collectives, as opponents of communists would like it.

The USSR law of October 9, 1990 "On Public Associations" stipulates that political party organisations and other public associations may engage in their activity when their members are off work and the organisation's own resources are used to cover the expenses. The law envisages no other restrictions on the establishment and activity of political parties at enterprises or offices.

As regards the Soviet Communist Party, its rules, which lay down the territorial-production principle of building party organisations, has been registered by the USSR Justice Ministry and is therefore legally valid. Attempts to ban party organisations at state enterprises, offices and organisations are at variance with the constitutional legality and international human rights conventions.

The Secretariat adopted a resolution setting forth priorities for the activity of primary party organisations under new conditions.

Radio Peace and Progress Ends Operations

LD3105135691 Moscow Radio Peace and Progress in French 1200 GMT 31 May 91

[Text] And now, dear listeners, we want to impart to you some sad news. We announce that Radio Peace and Progress ends its broadcasts starting 1 June 1991. Our radio station is hence closed.

The decision to close down our radio station is unexpected, not only for our listeners abroad but also for all of us workers at Radio Peace and Progress. I will not conceal from you the fact that up to the last moment we hoped to find another solution, but unfortunately all our efforts proved to be in vain. We must bow to circumstances.

Why is our radio station being closed? As you probably know, Radio Peace and Progress is an independent source of news that reflected the viewpoint of Soviet public opinion. This radio station was inaugurated 26 years ago, in 1964, with the participation of the Writer's Union, the USSR Journalists' Union, the Soviet Peace Defense Committee, NOVOSTI press agency, and other nongovernmental organizations. Throughout all these years, the radio station rented the studios from the State Committee for Television and Radio Broadcasting. This enabled us to prepare our programs and broadcast them toward a large number of countries, including very remote ones. We also rented all the technical equipment; we did not have our own technical facilities. In the end this led to the closing of our radio station. The big state, social, and structural changes in our country resulted in us losing the very body that rented us the headquarters, studios, and equipment—that is, the Soviet State Committee for Television and Radio Broadcasting. This committee has been wound up and in its place a new organization was created, the All-Union State Television and Radio Company, which currently is facing quite a few organizational and financial difficulties and which has refused to rent to us the headquarters, studios, and equipment, as well as the transmitters.

Dear friends, this is our last broadcast. It is now drawing to an end. We are grateful to all our listeners, to our long-standing ones as well as those who only tuned in occasionally. We thank you for listening in; we thank you for your letters.

It is possible you might hear the voices of our journalists on the radio again because some of the announcers and correspondents have received employment offers from the new All-Union State Television and Radio Company, which will broadcast for abroad. The others will work for the newspapers, and those among you who know Russian might one day have the opportunity to read their articles.

We end our broadcasts. Radio Peace and Progress, mouthpiece of Soviet public opinion, wishes you success in a life that continues despite everything. Dear Listeners, we thank you for listening in.

[Radio Peace and Progress in Arabic and Radio Peace and Progress in English make announcements of final broadcasts at 1400 GMT and 1700 GMT respectively]

Commission on Crimean Tatars Discusses Progress

PM3105131691 Moscow IZVESTIYA in Russian 28 May 91 Union Edition p 3

[Unattributed report: "At the State Commission for Problems of the Crimean Tatar People"]

[Text] A routine sitting of the commission chaired by V. Doguzhiyev, USSR first deputy prime minister, discussed the progress made in carrying out the USSR government resolution on immediate steps to resolve issues linked with the Crimean Tatars' return to the Crimea.

A rough resettlement schedule has been approved, plots of land have been allocated for individual homes, and measures formulated for the assimilation of state capital investments, including the development of the construction base and existing construction capacities and the formation of new construction organizations. Questions of reviving the Crimean Tatars' culture are being settled. A music and drama theater is at work in Simferopol and a Crimean Tatar language and literature department has been set up at the university. Study of this subject has been organized in more than 300 schools. Radio and television broadcasts are being conducted in the Crimean Tatar language. Some 51 historical and cultural monuments are under state protection.

At the same time, commission members noted, the state of the country's economy could not help but have an impact on the full implementation of the planned measures. The lack of material and technical resources, equipment, and mechanisms and the lack of cadres for construction subunits is affecting the construction of housing and sociocultural installations.

The disorganized arrival of the Crimean Tatar population is complicating the implementation of priority measures to an inordinate degree, with the result that the problems involved in supplying the population with food and industrial commodities and providing housing, public health establishments, and schools remain exceptionally acute.

Polls of families of Crimean Tatars living in close-knit communities carried out by the USSR State Committee for Statistics indicate that the overwhelming majority of them want to return to live permanently in the Crimea within the next three years.

In this connection a series of questions linked with creating conditions for the Crimean Tatars' organized return to the Crimean ASSR [Autonomous Soviet Socialist Republic] and guarantees of their provisioning with all essentials were thoroughly examined.

After clarifying a number of points, it was deemed necessary to adopt a special USSR Government resolution that makes provision, along with settling social issues, for special commissions to be set up in areas with a high density of Crimean Tatars in order to assist families returning in an organized manner to the Crimea in resolving legal, economic, transport, and other problems.

It was decided to send groups of senior officials from the USSR, the Ukrainian SSR [Soviet Socialist Republic], and the Crimean autonomous formation to areas with a high density of Crimean Tatars in the near future to carry out information and explanatory work.

It was deemed necessary to speed up the elaboration of the state program for the Crimean Tatars' return to the Crimean ASSR in view of the results of the poll of families living in close-knit communities and the conclusions drawn by a scientific and practical conference in Simferopol.

USSR and Ukrainian SSR people's deputies and public representatives took part in the commission session.

Election Committee Endorses 3 for Moscow Mayor

LD3105013491 Moscow TASS in English 1802 GMT 31 May 91

[By TASS correspondents Igor Agabekov and Ruben Shirinyan]

[Text] Moscow May 31 TASS—Today, the Central Election Committee for the election of Moscow's mayor ended a round of thorough discussions and decided to endorse three candidates for the ballot due to take place on June 12.

The three contenders are Vladimir Kluyev, director general of the Spektr Research-and-Production Association, Gavriil Popov, the present chairman of the Moscow City Council, and Valeriy Saykin, who is now deputy chairman of the USSR Cabinet's committee for machine- building and former chairman of the Moscow City Executive Committee.

All three have got the support of more than 35,000 voters as requested by the regulations for the election of the mayor of Moscow.

20 Percent Unemployment By End of Year Predicted

LD3105103391 Moscow Russian Television Network in Russian 2000 GMT 30 May 91

[Interview with I.Ye. Zaslavskiy, general director of Moscow labor exchange, by correspondent Vladimir Solovyev in Moscow; date not given—recorded; from the "Vesti" newscast]

[Text] We are moving toward a market economy. The specter of unemployment already looms over that hard road. It is necessary to prepare for an unhappy but natural meeting with it, and labor exchanges have already been operating in Moscow since February.

[Begin recording] [Zaslavskiy] Unemployment is a real fact of life that has to be reckoned with. One must not shut one's eyes to it. One must not curse it. One must not regard it as a totally negative phenomenon. It is the natural result of structural changes. Unemployment means freedom of choice. No one is forcing anyone to work. It is a powerful incentive to those who are able to work. On the other hand, it is a disaster for those who have not learned how to work. They are the people whom the labor exchange must help.

[Solovyev] What do you think the unemployment figures will look like next year in Moscow, and what is the outlook?

[Zaslavskiy] According to our estimates, roughly every fifth or sixth worker in Moscow will feel the shadow of unemployment by the end of the year. According to our estimates, at the end of the year some 57,000 of our people will be receiving benefits. On 1 July we expect the redundancy of 35,000 officials in the state administration apparat. We must create in Moscow and everywhere in Russia an economic system in which working efficiently will be more profitable and prestigious than receiving benefits at the labor exchange.

[Solovyev] At the end of the twenties, after a decree of Stalin's, unemployment ceased to exist in our country. On 1 July this year, unemployed people will again officially appear. On that day, the law on employment will come into force. This is Vladimir Solovyev, "Vesti", from a labor exchange. [end recording]

Metal Smelters' Union Averts Strike

LD0106095491 Moscow Radio Moscow World Service in English 0800 GMT 31 May 91

[Text] The talks between the metal smelters union and the USSR government have ended in a peaceful compromise. The conflict was sparked by the sharp rise of retail prices which resulted in a drop of living standards.

Back on 27 March the metal smelters held meetings at many of the plants and advanced economic demands. The threat of a strike was quite real. However it was possible to avoid it. A decision has been taken to lift this year restrictions on wage rises and other sources of personal incomes in the industry, and starting with 1 June the plants will be allowed to fix bargaining prices on 30 percent of their output.

1 Million Textile Workers Facing Dismissal

LD0106105891 Moscow All-Union Radio Mayak Network in Russian 1800 GMT 31 May 91

[Text] Let me remind you that, traditionally, every year, the first Sunday of June has been celebrated as a professional holiday for textile and light industry workers. However, a plenum of the central committee of the industry's trade union has decided not to celebrate it this year on an all-union scale. (Ikharlova), chairman of the union central committee, explained that they have nothing to celebrate and nothing to boast about. A total collapse of production is taking place. Obviously, the Cabinet of Ministers has no spare time for our industry. As a result, from 1 July, due to the winding up of production, about 1 million workers will be sacked.

It is time to be active in fighting for our rights, Comrade (Ikharlova) continued. We have rejected strikes, and are expressing our protest by an official refusal to hold all-union festivities. However, textile workers, as well as everybody employed in light industry, are still going to mark their day, only modestly. To celebrate or not—it is for the working collectives themselves to decide.

Four New Publications Begin Operations

'Middle Ground' Newspaper Published

LD0106101991 Moscow Radio Rossii Network in Russian 1303 GMT 31 May 91

[Summary] The first issue of TSENTR [Center], a nongovernment sociopolitical newspaper, has been published. According to the new publication's editor in chief (Ludmilla Modina), The name TSENTR was chosen as signifying not the Kremlin or central power, but as meaning opposition, the middle ground, balance and persistence, and reflecting ordinary people's lives and dreams. The paper stands for modernization, tolerance, mutual respect, and respect for all political principles, and not conflict. Everyone is to be given the possibility for expression. The first issue is a reflection of this.

Orthodox Journal Published

PM3105133491 Moscow IZVESTIYA in Russian 27 May 91 Union Edition p 1

[From IZVESTIYA, RIA, TASS, POSTFACTUM, and REUTER roundup: "Union of Orthodox Fraternities Journal"]

[Text] The first issue of the new journal PRAVOSLAVNAYA BESEDA [Orthodox Discussion] is on sale at places of worship, our correspondent R. Armeyev reports.

This "journal for family reading" will come out monthly. Its trustee is the Union of Orthodox Fraternities. It is proposed that the monthly will continue the tradition of prerevolutionary spiritual and educational literature. It is aimed at a wide range of readers.

"Without entering into theological arguments," the editor's parting words say, PRAVOSLAVNAYA BESEDA will try, with God's help, to teach adults and children the fundamentals of Orthodox dogma, and it will help to strengthen the Christian family and educate young people in the spirit of true piety."

New Legal Journal Published

LD0106101791 Moscow Central Television First Program Network in Russian 1200 GMT 31 May 91

[From the "Television News Service" program]

[Text] The first edition of the Russian magazine ZA I PROTIV [For and Against] has been published. The tasks of this legal and at the same time literary and publicist monthly are to bring juridical culture to the masses.

Journal Focuses on Art, Literature

LD0206082591 Moscow TASS in English 0741 GMT 2 Jun 91

[By TASS correspondent Anna Grigoryeva]

[Text] Moscow June 2 TASS—The Moscow City Council is the founder of a new, quite interesting publication named THE MOSCOW JOURNAL which deals with literary, art, historical and regional studies.

However, the journal's fourth issue, which appeared on Saturday, may serve as a fine manual for clergymen. It carries quotations fronm the Gospel according to Matthew about the resurrection of Christ.

"The Rules of Pious Life," set out at one time by Archbishop Platon of Kostroma, are a guide for every orthodox believer.

Not without interest is the rendering of the story of the life of St. Sergius, hegumen of Radonezh, who lived in the 14th century. The story of his life has been rendered in our days, acquainting readers with some pages of the history of the Russian state and at the same time depicting the life of the great ascetic, known over the centuries as an outstanding religious figure and statesman.

Pages devoted to Moscow carry many rare photographs from private albums and archival documents. The pictures show houses and churches that do not exist any more, including the famous Iverskaya Chapel that stood at the entrance to the Red Square.

Connoisseurs of icon painting will be pleased to have this issue of the journal illustrated with the representations of ancient icons.

Orthodox Church Receives Official Registration

OW3105061491 Moscow INTERFAX in English 1600 GMT 30 May 91

[Text] On May 30 the Patriarch of Moscow and all Russia Aleksey II has been handed a certificate of registration of the Rules of the Russian Orthodox Church at the Russian republican Justice Ministry.

The Russian Minister of Justice Nikolay Fedorov attending the ceremony, declared the Russian Orthodox Church has been legally authorized to enter into contacts and cooperate on a par with government and public organisations. Juridically, all restrictions arising from atheism have now been lifted, he said.

In his speech the Patriarch of Moscow and all Russia Aleksey II has pointed out that the church's official registration enables it to use its full potential to serve society. That means not only meeting people's spiritual needs, holding religious services and initiations, but also being involved in public service, and the upbringing of young people in the spirit of high moral requirements, said Aleksey II.

At the end of the solemn ceremony Russian Minister of Justice Nikolay Fedorov said answering a question from IF [INTERFAX] on his personal attitude towards religion: "I was born in the heart of Russian provinces. Practically 100 percent of the people who live there have been Christened. I am too."

Lukyanov Meets Patriarch Aleksiy II

LD3105002191 Moscow TASS in English 1859 GMT 30 May 91

[Text] Moscow May 30 TASS—Soviet parliament Chairman Anatoliy Lukyanov today met Patriarch of Moscow and all Russia Aleksiy II.

They discussed implementing the Soviet law on the freedom of conscience and religious organisations and the participation of the Russian Orthodox Church in charity and peace-making activities.

Vatican Representatives Attend Religion Colloquium

PM3105132491 Moscow IZVESTIYA in Russian 28 May 91 Union Edition p 4

[Report by V. Mikheyev: "Democracy and Ethical Norms. Roundtable of Political Scientists and Church Representatives"]

[Text] A three-day international colloquium has been held in Moscow on the theme "Democracy and Moral Values," organized by the Papal Council for Dialogue with Unbelievers (Vatican) and the Soviet Committee for European Security and Cooperation in conjunction with the Institute of Contemporary Social Problems. Men of religion, including Cardinal Paul Poupard, president of the Papal Council, and scientists studying political science, social psychology, the philosophy of religion, and social consciousness debated at the roundtable. What brought them together?

In response to IZVESTIYA's question, Professor Yu.A. Sherkovin ranked first the general concern which the Roman Catholic Church shares with us over the possible chaos threatening our state. It is no coincidence that the colloquium's program contained the following subjects: "Democracy as an Ethical Requirement," "Democracy and the Fostering of Moral Values in a Pluralist Society," "Democracy, Civilized Society, and Religious Freedom," etc.

Did their viewpoints coincide? According to Yu.A. Sherkovin, the meeting's participants do not share the concept of "democracy without borders." If democracy aspires to be genuine, it should be exercised within the framework of political and religious culture and should be determined by the ethical norms accepted within that society.

Representing the Russian Orthodox Church, Archimandrite Iosif Pustoutov, secretary to the chairman of the Moscow Patriarchy's Foreign Ecclesiastical Relations Department, commented on the results of the forum:

"Although I must admit that the colloquium did not occur at the best time for relations between the Russian Orthodox Church and the Vatican, these contacts are very important since they may positively contribute to improving the situation that has taken shape.

"It is gratifying that we agreed on the main issue: The process now under way in our country, which some people describe as a 'return to religion,' is working toward recognition of a simple fact—we are all the fruit of European culture, rooted in Christianity. I think that understanding of the indissolubility of pan-human values will enable us to reach agreement on a particular question that gives rise to disagreements—the Uniate Church. It is important to distinguish between the religious and national aspects of the problem and see the connection between these two factors," Archimandrite Iosif concluded.

Judaic Studies Committee Meets in Moscow

LD3105010391 Moscow TASS in English 1506 GMT 30 May 91

[By TASS diplomatic correspondent Sergey Popov]

[Text] Moscow May 30 TASS—The executive committee of the international committee for the promotion of Judaic studies in Eastern Europe met in Moscow today. The session is devoted to the discussion of the present state and prospects for the development of Judaic studies. Scholars from Jerusalem, the United States, France, Britain, Italy, Spain, and the Soviet Union are attending the session.

The committee was set up in October 1990 as a scientific organisation to develop scientific research into Judaica and Judaic studies as well as preserve cultural and historical monuments. Forty-nine organisations have joined the committee by now. The organisation has branches in Israel, Poland, and the Soviet Union. It is also planned to set up them in Britain and the United States.

Isaak Warschawski, professor at the Sorbonne University and chief coordinator of the committee, said at the session that the committee planned to publish a collection of works on Judaica. It has aleady issued a book on Jewish holidays and taped audio-cassettes with Yiddish language lessons to be distributed in other countries.

Warschawski informed the participants in the session that the committee's activity was financed by the World Jewish Congress, the World Zionist Organisation, and several other organisations. It has an agreement with UNESCO that this U.N. organisation will finance projects drawn up by the committee if it finds them to be important.

Boris Gontarev, rector of the Academy of World Civilisations and vice-president of the committee, added that there were plans to organise the Moscow-Jerusalem television linkup in February 1991.

Warschawski noted in a TASS interview that the committee's activity was supported by Soviet scholars and public figures. He expressed the view that people in the Soviet Union showed keen interest in Judaica and it would be adequately developed. He said committee members floated the idea of setting up a Judaica department at the Institute of Asian and African Countries of Moscow State University.

Tomorrow, the session will continue its work.

European Development Society Opens Moscow Branch

LD0106211991 Moscow TASS International Service in Russian 1410 GMT 1 Jun 91

[Text] Moscow, 1 Jun (TASS)—The Soviet branch of the Society for the Development of Eastern Europe was established in Moscow today.

Many countries of the continent participate in this organization. The society plans to develop contacts with the business circles of our country. Its secretary, Jorg Hesse, a prominent German scientist, and the heads of leading companies of the FRG have come to the Soviet Union for this purpose.

The guests plan to help the Soviet economy by setting up joint ventures and by investing in small businesses that exist in the USSR. The businessmen have presented our country with a medical laboratory. The People's Academy of Culture and All-Mankind Values, which represents the interests of the society in the Soviet Union, will decide where to use this complex.

Institute for Sociopolitical Research Opens

PM3105154691 Moscow IZVESTIYA in Russian 25 May 91 Union Edition p 1

[Report from roundup of IZVESTIYA, TASS, RIA, REUTERS reports: "New Sociological Center in Moscow"]

[Text] An Institute for Sociopolitical Research is opening 1 June in Moscow. As Doctor of Philosophy Vladimir Rukavishnikov, deputy director of the Institute for Sociopolitical Research, told an RIA correspondent, the new research center has been formed on the basis of one of the departments of the USSR Academy of Sciences Institute of Sociology.

Poll Examines Opinions on 'Nine Plus One'

OW0306073391 Moscow INTERFAX in English 0930 GMT 31 May 91

["Viewpoint—Can "9 Plus 1" Agreement Help U.S.S.R. Overcome Crisis?"—INTERFAX Headline]

[Text] On May 12-22 the National Public Opinion Studies Center (VCIOM) carried out an opinion poll among 2,054 people making up a representative cross-section of the USSR's population, asking "Do you think the joint statement by the Soviet President and the leaders of nine republics, otherwise known as the 'Nine Plus One Agreement', can help the nation overcome its crisis?"

According to the news agency DATA, 29% of the respondents said YES, 37% said NO, and 34% failed to express a definite opinion.

Asked whether they thought their republic would gain or lose by the "Nine Plus One Agreement," most Russians and Ukrainians said neither thing would happen.

People in Central Asia think differently, with 38% against 13% expecting a change for the better.

Most of the "I don't know" answers were given in the Russian Federation.

The statistical error margin was set at 3 percent.

Citizens Polled on Extent of Stalinist Repression

OW3105061591 Moscow INTERFAX in English 1830 GMT 30 May 91

["Viewpoint"]

[Text] In March 1991 the National Public Opinion Studies Centre carried out a poll of 1953 respondents from among the urban population of the USSR.

The respondents were asked to give their estimates of how many people had been repressed in the 1920s through 1950s.

Every fourth respondent answered that millions of Soviet citizens had been repressed.

Twenty-three percent of those polled said tens of millions had been repressed.

One fifth said tens and hundreds of people had fallen victim.

Seven percent believe that thousands of people had suffered during the years of terror unleashed by Stalin, and every hundredth respondent thinks that the victims should be counted by the hundred.

Only 15 percent of respondents said there had not been illegal repressions in the 1920s-1950s.

Twenty-six percent of respondents failed to give a definite answer.

In answer to another question of the questionnaire "were any of your relatives repressed in the 1920s-1950s?", twenty-six percent of respondents said., "Yes."

Fifth-eight percent replied in the negative.

Sixteen percent said they "did not know."

According to 39 percent of people polled, those who organised and executed the reprisals of the 1920s-1950s must be put to the trial.

Twenty-three percent believe that these people should be relieved of their jobs, deprived of their personal retirement pensions.

Eleven percent think that it would be enough punishment for the organisers of the repressions if their names were made public.

Three percent would rather give pardon to these people.

Twelve percent of respondents said they did not agree that these people were guilty because they had been acting in accordance with the laws of that time.

Less than one percent of respondents (in fact only 14 people) replied that the organisers of the repressions cannot be punished because they had been right in what they were doing.

Every twenty respondents was at a loss to answer.

Percent of error was three percent.

Commission Investigates Chemical Workers' Illness

LD3005170291 Moscow TASS in English 1627 GMT 30 May 91

[By TASS correspondent Eleonora Sutotskaya]

[Text] Moscow May 30 TASS—The state of 159 patients, hospitalized in the southwestern part of the Soviet capital a week ago, has been described as "satisfactory" by chief doctor Oleg Laptev of Moscow's medical and sanitary centre. A medical commission was to decide on their release from the centre on Thursday, he told TASS.

All 159 patients work at the chemical technology research institute and their sudden illness caused rumours to circulate in Moscow.

It all started a week ago, when doctors at the medical and sanitary centre reported that an unusually high number of people working at the chemical technology research institute had been granted sick leaves, all ill with quinsy, Laptev told TASS.

Most of those people had characteristic quinsy symptoms—a high temperature of up to 38-39 degrees centigrade, a sore throat and a splitting headache. But quinsy, unlike flu, never develops into an epidemic. Doctors wondered if diphtheria or some other infectious disease might be the culprit. To dispel doubts it was decided to hospitalize all the patients. A special department was set apart for them and the first patients were received on May 23, two days after they had fallen ill.

Now they were ready to leave the centre, the original diagnosis still recorded in their case histories, Laptev said. The situation seems to have stabilized. No new cases of the disease have yet been reported. But doctors are now examining everybody at the chemical technology research institute.

A special commission, consisting of toxicologists, chemists, hygienists and occupational pathologists, is now working to identify the source of the malady. According to Oleg Laptev, specialists have rejected the possibility of the outburst having been caused by infection or radiation. But they have not yet come up with another explanation of the strange "epidemic".

The chemical technology research institute shares premises with the institute of industrial technologies, whose associated were also affected, Laptev said.

TASS Reviews 1 Jun Soviet Central Press

LD0106070791 Moscow TASS in English 0623 GMT 1 Jun 91

["Soviet Press Review"—TASS headline]

[Text] Moscow June 1 TASS—The press keeps publishing materials about President Mikhail Gorbachev's recent visit to Kazakhstan. PRAVDA prints Gorbachev's speech at a meeting of republican senior government and party officials and economic managers in Alma-Ata on May 30. The material is titled "Time Calls for Mutual Understanding and Concerted Actions".

PRAVDA and SOVETSKAYA ROSSIYA published a report by the press centre of the Soviet Communist Party Central Committee, saying that the Secretariat of the CPSU CC met for a regular meeting to consider the work of primary party organisations and ways to improve it.

Newspapers cover the work of the Soviet parliament, which on Friday adopted a law on inventions in the USSR, defining the legal, economic and organisational foundations for the protection of inventions in conditions of a market economy and the equality of various forms of property.

The press prints a resolution "On Compensations for Additional Spending Incurred by Enterprises and Organisations of the Agro-Industrial Complex in 1991 in Conjunction With the Price-Setting Reform", which was adopted by the USSR Cabinet of Ministers on May 31.

Newspapers feature various materials devoted to international day for the protection of children, which is marked today. A new section in PRAVDA—"Childhood: PRAVDA's Programme in Defence of Future Generations"—features an interview with Vyacheslav Tabolin, academician at the Soviet Academy of Medical Sciences, candidates for cosmonauts under the project "Space to Children", stories about Chernobyl children and other materials.

Candidates for Russian presidency continue to acquaint readers with their programmes. The SELSKAYA ZHIZN newspaper presents General Albert Makashov's election programme.

Commenting on the election marathon, news analyst Vyacheslav Lukashevich draws attention in the KRASNAYA ZVEZDA newspaper to the fact that some candidates for the post of president of Russia have sharply changed their attitude to the Army over the past week.

In an interview published in SOVETSKAYA ROSSIYA, Leningrad television reporter Aleksandr Nevzorov emphasised that he sided "with the insulted and the injured". "The whole of my Russia is insulted and injured now," Nevzorov said.

The same newspaper features an interview with Tatyana Koryagina, people's deputy of the Russian Federation. "I am prepared to move towards a market and support it but only without corrupt elements," she noted.

In the run-up to an air show in Bourges, KRASNAYA ZVEZDA writes that Soviet aircraft builders will display there the MiG-31 supersonic all-weather fighter-interceptor, the BE-42 Albatros amphibious aircraft, the serial variants of the new Il-96-300 and Tu-204 passenger liners, the Il-114—one of the most efficient passenger aircraft, the KA-32 helicopter and the YAK-55, Su-26M and Su-26UT sports planes.

Mikhail Rassolov, Dr of sciences (law), reflects in RABOCHAYA TRIBUNA on the development of the rule of law state in the USSR. He contends that the ideas of a rule of law state "are not a myth, fiction or deception of the people. The building of a rule of law state is proceeding with difficulty, painfully and, perhaps, not as we would like it to proceed, but it is going on in our country. This is a reality."

SELSKAYA ZHIZN writes about festivities in Nizhny Vongorod to mark the 300th anniversary of the folkcraft—khokhloma. The newspaper stresses that khokhloma "is a unique phenomenon in Russian folk art, which had been created over a long time and is now being refined and expanded."

Trade union leader A. Bochkarev writes in TRUD about the situation on the oilfields in Tatariya, which have sounded an alarm lately as the flashpoint of an ecological disaster and enhanced political tension generated by the "sovereignisation" of the republic's natural wealth.

In an article titled "The Spectre of 'Solidarity' Is Haunting Donbass", KOMSOMOLSKAYA PRAVDA writes that following recent strikes, the miners' movement is acquiring a new quality.

KRASNAYA ZVEZDA prints a TASS report about the signing in Lisbon of agreements on ceasefire and political settlement in Angola.

PRAVDA published a message of greetings by the CPSU Central Committee to the tenth congress of the Martinican Communist Party. The same newspaper features Gorbachev's message to the organisers and guests of the exhibition "For Mankind's Survival in the 21st Century", which opened in Moscow.

PRAVDA writes about a meeting in Washington between Yevgeniy Primakov and Vladimir Shcherbakov, who are staying there on the Soviet president's instruction, and U.S. President George Bush.

Newspapers cover unrest in the suburbs of the French capital and comment on social tension in Poland.

TASS Reviews 3 Jun PRAVDA

LD0306071791 Moscow TASS in English 0654 GMT 3 Jun 91

["Soviet PRAVDA Preview"—TASS headline]

[Text] Moscow June 3 TASS—Mikhail Gorbachev congratulated Angolan President Jose Eduardo dos Santos with the signing of an agreement on a ceasefire and a political settlement in the country.

In a message, published in today's PRAVDA, the Soviet leader stressed that the Angolan Government can count on the Soviet Union's assistance in achieving "full national reconciliation, a stable and democratic development and social-economic revival."

The newspaper also publishes Mikhail Gorbachev's congratulatory messages to Bjoern Engholm on his election as chairman of the Social Democratic Party of Germany and Narasimha Rao on his election as chairman of the Indian National Congress (I) Party.

On page one, PRAVDA carries materials opposing the intention of Leningrad authorities to give the city back its old name St. Petersburg.

Five million Leningrad residents take little interest in the "far-fetched act of renaming" and are concerned much more with "how to survive in an atmosphere of progressive desolation, decline, poverty and food shortages," the newspaper writes.

PRAVDA covers the presidential race in the Russian Federation. It reports a meeting between presidential candidate Nikolay Ryzhkov and Moscow students.

Ryzhkov denounced economic shock therapy supported by Boris Yeltsin, PRAVDA reports.

It writes about a visit to Tula by Soviet Liberal Democratic Party leader Vladimir Zhirinovskiy, campaigning for the Russian presidency. The visit was largely unsuccessful, the newspaper writes.

Candidates often give unrealistic promises, PRAVDA writes commenting on the campaign. The newspaper praised Nikolay Ryzhkov's programme as "full of pragmatism and practicality, based on economics, rather than politics."

PRAVDA reports a meeting of industrial managers and experts to discuss the production of baby food.

"Half of the 5.5 million babies born annually in the Soviet Union are deprived of normal nutrition," the newspaper says.

Soviet prosecutor general comments in PRAVDA on the Army crackdown on protesters in Novocherkask on June 1-3, 1962. Twenty-two people were killed, 39 wounded and 114 were arrested when troops charged residents protesting against price hikes and falling living standards.

PRAVDA justified authorities' actions and use of troops and weapons to quash the protest.

PRAVDA carries an article marking the 100th birth anniversary of Russian pilot Konstantin Artseulov, who tested the first Soviet fighter plane.

The newspaper comments on the results of a joint session of the NATO military planning committee and nuclear planning group.

It expressed alarm over the creation of a NATO rapid deployment force in Europe.

One of the stories focuses on developments in Romania, where the parliamentary opposition opposes the ratification of a Soviet-Romanian treaty on friendship and cooperation, signed recently during President Ion Iliescu's visit to Moscow.

Economic

Yavlinskiy Comments on Plan for G-7 Cooperation

PM0206150191 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 20 19 May 91 pp 5, 6

[Interview with Grigoriy Yavlinskiy, former deputy chairman of the RSFSR Council of Ministers, by MOSKOVSKIYE NOVOSTI Chief Editor Yegor Yakovlev under the rubric "Chief Editor's Conversations"; place and date not given: "Tomorrow's Sensation. Grigoriy Yavlinskiy Back on the Political Stage"]

[Text] Yegor Yakovlev: Our last detailed conversation was toward the end of last year. And although you were full of optimism and spoke about the creation of an independent center for economic and political studies, I must admit that I was depressed at the time and was rather reluctant to talk about it. The "500-day" program was rejected and trampled on for the sake of short-term political expediency and equally short-term expedient amendments. Yavlinskiy resigned as deputy chairman of Russia's Council of Ministers. Your proposed center was something of a vagrant—with no fixed address or means of existence. If I were to imagine at that time that six months later I would be interviewing you about a fresh idea, it would have been tantamount to believing in the beautiful fairy tale about someone having the power to reemerge from the ashes.

Grigoriy Yavlinskiy: I spent six months extricating myself from the confusion which followed the collapse of the "500-days" program. I had to find an answer to my own question: "Come on, guy, in the previous conditions you offered an answer that seemed right to you, but will you be able to think up something in today's conditions?" The budget is falling apart. Output is declining by 12 percent. Oil extraction is being cut back so much that we will have to buy oil by year's end, and what can be used to buy it, seeing that we used our own oil revenues to buy everything else. No program, no action plan. The government is feeding us one improvisation after another.

The Birth of an Idea

Grigoriy Yavlinskiy: Zadornov, Mikhaylov, and I got together and started thinking. A core idea was needed, but there was no sign of it. It was contained in the previous program: To coordinate efforts in good time, then work for six months so as to see light at the end of the tunnel... January, February, March passed—not even an outline of a core idea. We were getting rather nervous. I felt especially responsible for the guys—they had all left their work and had received no wages for three months.

Yegor Yakovlev: Surely you must have had some ideas?

Grigoriy Yavlinskiy: In theory—yes, but nothing to actually work on. As late as last summer we still had a common economic space. Now, as one of us remarked, we have ended up with a common space of problems. Crisis everywhere and along all avenues! Extrication is no longer possible by means of economic solutions alone.

And a second factor, which I would describe as a negatively positive process. Negative, because everyone finds life harder everywhere. It was becoming obvious that not a single republic could count on its own special path. Programs were being compiled in Russia, the Ukraine was experimenting with rationing, we all know the end of Prunskiene's attempts in Lithuania. All these failures are building up and beginning to have an effect. It was possible to assume—and this is the positive aspect—that the pendulum of centrifugal tendencies would swing the other way. But how was the critical point to be determined? We are, after all, talking of a pendulum—if it completes its arc and swings back again, this would produce a new and unimaginable level of collapse.

Yegor Yakovlev: Excuse me, I would like to grasp the way the quest itself proceeds. You said: We started thinking. What does this mean? Sitting down and staring at a blank wall?

Grigoriy Yavlinskiy: Every person probably has his own way. This is my life and I look at everything through this prism. I went to Japan—and I looked through that prism; I look at you in the editorial office—and I am talking and thinking about the same thing. This is how a state of readiness emerges. All you need after that is a convenient situation, and things take off from there.

Yegor Yakovlev: Is this what happened this time?

Grigoriy Yavlinskiy: The first day of the Third Congress of RSFSR People's Deputies, for example, gave me a special push. The prime minister was bringing in troops to prevent the Moscow rally. Yeltsin announced a break in the congress' work. The troops formed, and the rally went ahead. I thought to myself: Neither side can emerge victorious. Power nowadays is so hot that there is not a single force that can pick up and hold onto this flat iron—it is painfully hot. And not just in Moscow. How can Armenia or Azerbaijan defeat the other? This is absurd. And the same applies to Georgia and Ossetia. There you have it. This means that solutions must be sought via compromises, via a coalition of different forces.

Yegor Yakovlev: Is that all! Ultimately, you are repeating what Gorbachev has been saying all the time: It is necessary to pool our efforts, we are all in the same boat.

The Creation of a Program

Grigoriy Yavlinskiy: I think it was on a Sunday; Mikhaylov, Melnikov, and I got down to work, saying more or less what you have just said: There is no point in endlessly repeating something with which everyone is fed up to the teeth: Let us live together. No point in issuing appeals, let us try and tell people how it should be done. We started looking for precedents once more. Poland? But there were only two forces there—the Polish United Workers Party and "Solidarity." Canada-Quebec? The conflict there is only on ethnic grounds. France and Algeria? They parted company. Maybe something more suitable could be found in Yugoslavia? But things are in such a mess there that it is impossible to find an answer.

There are no outside examples. We dug into our own history. Back to 1611-1613. Collapse of the state, onset of chaos. And yet they did manage to agree and a czar was elected—otherwise nothing would have happened. Minin and Pozharskiy. They succeeded in uniting against the common enemy, even though their contradictions were irreconcilable—one of them a prince, the other a meat merchant. Even though the State Duma did not manage to achieve anything serious in 1915-1917, it did create the Progressive Bloc.

That was all. And suddenly—an influx of energy, because the task was clear: We had to describe the way which could lead to common accord. We went up to my office and I spent several hours dictating. What should be done immediately, what should be done later. Who should participate in the talks and on what principles they should be based. What interlinkage should there be with constitutional power. For example, the Army problem cannot be overlooked. How should the Army participate in the talks? And all these talks are nothing but a transitional process which must end at some point and mark the beginning of, if you like, a new era.

The draft was ready five days later and we started consulting jurists and historians.

Yegor Yakovlev: But what is the underlying principle?

Grigoriy Yavlinskiy: The concept was intended not as a declaration but as a procedural document. In the sense that we are not trying to solve the Baltic problem or give an answer as to what should be done with Georgia, the Army, or the miners. Our philosophy was that the actual talks should indicate what should be done in the future. And the answer may well be something we have not even dreamed of.

Yegor Yakovlev: So you designed a mechanism which should answer the question: What will happen?

Grigoriy Yavlinskiy: We designed a device, a retort if you like, where a reaction will occur; we made provision for all that was necessary to make it occur, but the answers to questions can be gained only as a result of this reaction. I personally, for example, am prepared to take a certain position in the talks. But, we diligently avoided taking a position in the document. We did this deliberately, so as not to scare off either Polozkov, or Sobchak, or Gorbachev, or Yeltsin, or the Georgians, or the Ossetians.

Yegor Yakovlev: This is a new—and more than likely the only—example of such an approach in our Soviet history. Hitherto everything used to be done for the sake of a programmed end goal.

Grigoriy Yavlinskiy: Seeing that we spent the early part of this year on a hard quest for an answer to the question of what to do, and did not find it, this means that we should be thinking not about the answer—which probably nobody knows—but about a mechanism which would enable us to obtain an answer. That was our discovery.

But the nearer the guys got to finalizing the concept, the more worried the look on their faces became. Ultimately, our group ended up in what I would describe as a state of excited depression.

Deadlock and Coincidence

Grigoriy Yavlinskiy: Last year, when experts were studying the "500-day" program in Washington, they asked me: Why is there no section on foreign aid? I replied: It would be easier for us if you helped us, but we do have the resources to do everything on our own. We really did have them. Incidentally, even if that program had failed to produce the desired results, it would have nonetheless prevented the collapse of the financial system and all the other economic disasters with which we are only too familiar.

Now we have lost the opportunities which existed until as late as last summer, we have destroyed the base facilities. Runners have their starting blocks. But now we have nothing to use as a starting block—everything has been ruined, one way or another. All reserves are exhausted, including the reserve of the population's patience. In order to acquire a prop we could, of course, make society form ranks, dress everyone in uniform, and shoot anyone who sidesteps to the left or to the right. But, as everyone knows, we have already been through that.

Obviously, we need outsides resources. What is the meaning of aid? I felt very humiliated by the foreign aid packages. I dislike foreign aid. I have grown up in this country and I believe that we are sufficiently great to cope by ourselves. Incidentally, when people in Washington asked me what policy my country would follow—pro-American, pro-European, or pro-Chinese—I replied: It will follow a pro-USSR policy.

But why go begging for help? Collaboration with Western partners could develop on the basis of a joint program. Everyone should be interested in this. I have analyzed the logic of my foreign colleagues. They have more than enough worries arising from East Germany's annexation. Soon enough they will have even more: As production in the USSR declines, we will cut off our neighbors from our energy sources and will close our market. Do they want yet another kid in an empty room, crying and demanding to be fed? And what about the world energy balance? What about the thermal balance? There are also grave geopolitical problems. How does all this fit together? There was no answer to be found.

Yegor Yakovlev: And what happened?

Grigoriy Yavlinskiy: When something is ripe in your mind, a coincidence may come in handy. I arrived at the White House on the Embankment [RSFSR Government headquarters] one day in April, and I was handed a packet. Someone had obviously brought it over, did not have a pass, and left it with the duty militiaman. I opened the envelope, and what a surprise: An invitation from the U.S. Department of State to attend a sitting of the "Big Seven" council of consultants. To be opened by Baker, to be addressed by Brzezinski, all proceedings to be chaired by Japan's former prime minister... Nobody from our side has attended any such sittings before.

Yegor Yakovlev: And why were you in particular invited?

Grigoriy Yavlinskiy: The "Big Seven" are due to meet in London in two months' time. They will probably discuss the Soviet Union and the consultants ought to hear what a Soviet specialist has to say before preparing their recommendations. They had evidently heard of me, the economic forecasts which I published in the press have all come true.

Yegor Yakovlev: What did you do on receiving this invitation?

Grigoriy Yavlinskiy: I started thinking about a response. I could not go to Washington just like that. We are talking big politics, affecting the interests of the state as a whole... I got in touch with Yevgeniy Primakov, knowing that he had been assigned economic security questions. I told Silayev (Yeltsin was on leave). They agreed: I should go. Primakov advised me to let Washington know: The Soviet Union would like to somehow attend the future sitting of the "Seven." "Are you actually giving me such powers?", I asked, and he agreed. That was how we parted.

I flew to the United States, but while still in Moscow I read the "9 + 1" statement in the morning newspapers. I perceived it as a most important argument in the work I had to do.

Notes. How Policy Is Made

Washington, 25 April. First day of the Council of Consultants sitting. Yavlinskiy, as distinct from many other guests, is given the status of participant. A sitting devoted to the Soviet Union's problems is planned for the second day. That evening, however, Zbigniew Brzezinski devotes his dinner speech to this topic.

Grigoriy Yavlinskiy: While listening to Brzezinski, I felt as if I was attending some strange meeting in Moscow, the first part of it chaired by some superannuated party official, and the second part by a superannuated general, describing such horrors that make you give up everything. According to Brzezinski, the Soviet Union is no longer a serious power from a geopolitical point of view, and nobody is interested in it any more. Russia is breaking apart. From the geostrategic point of view, the Soviet Army has finally disintegrated and is no longer anything to be taken into account. I could not agree with a single one of his propositions. I said to myself: "Well done, Zbigniew, you have got me out of a tight spot—tomorrow I will begin by replying to your speech."

Washington, 26 April. Yavlinskiy is the first to speak at the sitting devoted to the Soviet Union's problems. The time allotted to him is extended three times. He takes the floor on two more occasions during the discussion, analyzing the situation and developing the idea of effective collaboration.

Washington, the evening of 26 April. The cochairmen of the Council of Consultants ask Yavlinskiy to repeat everything that he said at the sitting. They admit its importance. And suddenly they express doubts: What are your powers? You spoke of cooperation, of a joint program, of the Soviet Union's interest in the London meeting of the "Seven"—do you have a document to confirm all this? Maybe you have a letter from Gorbachev and Yeltsin on this matter? Then let such a document be signed by Primakov and you. Primakov is known in the United States, he works with Gorbachev and you work with Yeltsin. If you really have influence, then the letter should be sent to INTERNATIONAL ECONOMY MAGAZINE three days after your return to Moscow.

New York, 27-29 April. Graham Allison, well known political scientist who is close to U.S. government circles, works with Yavlinskiy. Principles which could be incorporated in a joint program are discussed. They agree that Yavlinskiy and his team will fly to Harvard, taking along their draft for joint work. The overall draft must be prepared by early June so that the experts of the "Seven" could have it one month ahead of the meeting.

On the New York-Moscow flight, 29-30 April. Silayev, Kozyrev, and Lukin return to Moscow together with Yavlinskiy.

Grigoriy Yavlinskiy: I told them everything, having immediately made the decision no to do anything in secret.

Moscow, 30 April. Yavlinskiy briefs Primakov on the trip's results. He speaks of the need for a letter. Primakov agrees to sign it.

Moscow, the night of 30 April-1 May. Yavlinskiy and his group prepare the draft document.

Moscow, the morning of 1 May. Primakov reads the draft letter in the Kremlin and makes amendments.

Moscow, 2 May. Yavlinskiy and his group work on the letter.

Moscow, the morning of 3 May. Yavlinskiy calls on Primakov at home. He makes a few more minor amendments and signs the "Address to the 'Group of Seven.'"

Grigoriy Yavlinskiy: I asked him whether he had succeeded in agreeing with the text. Primakov replied that unfortunately he had not. I expressed my profound respect for the fact that he had nonetheless signed the letter. I took the piece of paper and ran all the way home. The letter was faxed straight away. The deadline was met.

From the "Address to the 'Group of Seven'"

...We address you with the following idea. There is need for a plan which would make it possible to ensure effective collaboration between the USSR reformist leadership and the "Seven" countries. We are talking about a specific action program. We bear the main responsibility for elaborating it. The group of Soviet scientists elaborating the program includes official representatives of the republics. Furthermore, direct participation in the program's final elaboration by experts from the "Seven", suitably empowered by their governments, would be considered useful. Following the preparation of a clear-cut program regarding reforms in the USSR, the "Seven" should consider the possibilities and prepare their own parallel plan of action which would clearly specify the scale, timing, and forms of economic assistance for Soviet reforms by the "Seven."

We believe that the program of reforms in the USSR should include:

—clear demarcation of powers between the center and the republics, especially in economic activity, on the basis of rational decentralization of power and federalization of union executive organs;

—formulation of demands for rigid financial and monetary policy;

—liberalization of prices;

—implementation of a large-scale program of privatization and demonopolization;

—strategy for the economy's structural perestroyka, creation of prerequisites for developing an open economic system in the USSR and its integration in the world economy;

—consistent creation of legislative backup for the functioning of market relations, including the regulation of foreign economic ties, foreign currency policy, and foreign investments;

—requirements and basic guidelines for the utilization of economic assistance by the "Seven" to stabilize the socioeconomic situation and implement reforms in the USSR;

—creation of a system of minimum social support for the population in the conditions of an unstable economy.

...The action plan by the "Seven" could include the scale, timing, and forms of economic assistance to the USSR, as well as methods for easing the servicing of the country's external debt and long-term credits, the USSR's admission to international economic organizations, the lifting of restrictions and the amendment of regulations governing trade with the USSR, elaboration of long-term investment programs, scientific and technical cooperation, and other avenues...

...We believe that conditions favoring the implementation of such a program could be in existence in the USSR by next fall. A good opportunity to arrive at basic agreements and discuss technical details with the USSR's participation will be provided at the London meeting this summer. It will be difficult to forecast the further development of events in the country if this chance is missed...

[Signed] Grigoriy Yavlinskiy, Yevgeniy Primakov.

[Dated] Moscow, 5 May 1991.

Moscow, 4 May. Primakov notifies Yavlinskiy that he will be received by Gorbachev in the afternoon the next day.

Moscow, 5 May, 1700 hours. Yeltsin invites Yavlinskiy to call on him. On learning the results of the trip to the United States, he remarks: "All the republics will join to get this done." He discusses with Yavlinskiy the possibility of creating an interrepublic organizational committee to implement the program. Advises Yavlinskiy to head this committee. Telephones Gorbachev.

Moscow, 1830 hours. Yavlinskiy is received by Gorbachev. Primakov and Yakovlev attend the meeting. Yavlinskiy briefs Gorbachev on the concept of the process of talks in the country—the "Social Accord." Gorbachev reads the document there and then. Having heard the proposals brought back from Washington, he suggests that both ideas be incorporated in a single document, to be prepared within one week.

Grigoriy Yavlinskiy: Gorbachev said that today he finds the process of talks for the sake of social accord more important than any narrow party interests. He was the first to realize that the idea of joint actions with the "Seven" and the process of talks within the country as conceived by us are interlinked, that they constitute a single whole.

Moscow, the night of 5-6 May. Yavlinskiy informs Allison of his meetings with Yeltsin and Gorbachev and their amicable attitude.

Harvard, 6 May. Allison to Yavlinskiy: The schedule proposed by you could prove to be protracted, a more rigid schedule for the group's work must be adopted.

Moscow, 6 May. During a meeting with President Mitterrand of France, Gorbachevs raises the problems of cooperation with developed countries.

Harvard, 9 May. Allison sends Yavlinskiy a memorandum on the work program of the Soviet-U.S. working group "on cooperation in the Soviet economy's transformation into a market economy and its integration in the world economy."

Kremlin-The White House, 11 May. Telephone conversation between Gorbachev and Bush. The interlocutors discuss cooperation prospects.

Moscow, 12 May. Yavlinskiy presents Gorbachev personally with the single document "On the Implementation of a Policy of Social Accord on the Basis of Cooperation with Developed Countries."

Back to the Interview

Yegor Yakovlev: I have been listening to you for several hours now, not just with interest but with rapture. At the same time, I realize: Ultimately you are elaborating and proposing something that is obvious to any soberminded person.

Grigoriy Yavlinskiy: I would have considered myself somewhat weird if I had come up with obscurities. It is necessary to concentrate on actions which would be understood by the multitude within three seconds, and by the others within 30 minutes. I look people in the eyes and they understand everything. I talk with Gorbachev—and he grasps immediately. I talk with a driver—and he also understands at once.

Yegor Yakovlev: Nonetheless, what has prompted these steps? At times I get the feeling that some sort of messianism is burning your soul. This is the second time you have come up with proposals that are not interim but actually determine the fate of the country as a whole. And you are doing this without any orders or requests, simply because you have decided to do it.

Grigoriy Yavlinskiy: No messianism at all. I analyzed the situation, discovered a way out, and started proving it. You must not think whether you will succeed or not, whether you will catch the blow or evade it. You must do what you think is right. There are no alternatives to what is right. There can be only one right solution. If you refuse to do what you believe is right, you have two alternatives: Either do nothing or do the wrong thing. But both these alternatives are unacceptable.

Yegor Yakovlev: Say nothing happens once again, like with the "500-days" program?

Grigoriy Yavlinskiy: First of all, I do not believe that this program will come to nothing. One way or another, it has become a starting point. Some people reject it, others support it, but it exists even though it may not be implemented. As regards the present collision, believe me, I am more aware of the weaknesses, the difficulties, and the internal contradictions which hinder the present program's implementation than anyone else. Moreover, I can admit that I am already thinking of ways out of the situation if the entire structure collapses. Actually, the time spent on pondering these matters increases day by day. The time will come when this situation will not yet be fully resolved and I will decide what to do next. But I cannot move on to the next combination before I have exhausted all the opportunities that are available today.

Talent and Power

It was getting dark, and Yavlinskiy kept glancing at his watch. He had to make at least one business telephone call. We went to the next-door dacha, which has a telephone. Yavlinskiy is now known to many people, and the elderly occupants were not only impressed but also touched by his visit. Soon enough they got even more emotional. Yavlinskiy telephoned Moscow and it appeared that Gorbachev had been wanting to talk to him for several hours and he was being sought everywhere: at home, at work, in the streets. But Yavlinskiy had gone to ground in the forests outside Moscow.

The old-fashioned dacha telephone rang a minute later. Yavlinskiy answered Gorbachev's questions. Our kind hosts, who were present during the conversation, did not know what to do, where to sit. For my part, I must admit that my thoughts ran in a different direction. The powers that be might have the most specialized services. But unless talent wishes to join the powers that be, nobody can force it.

MOSKOVSKIYE NOVOSTI never publishes followup materials. But there will be a followup, not in manuscripts but in life itself. We will publish followup materials as events develop around Grigoriy Yavlinskiy's new concept. Incidentally, there has already been a followup. In an article entitled "Through Rubles to Reform," THE WASHINGTON POST proves: If the developed countries are interested in the USSR's democratization, they must support its leadership. The London newspapers discuss the possibility of Gorbachev's arrival to attend the July meeting of the "Seven."

Views Western Aid Program

LD0206035991 Moscow Central Television First Program Network in Russian 1435 GMT 1 Jun 91

[Interview with Grigoriy Yavlinskiy, an author of the 500-day economic program, on his meetings with U.S. economists at Harvard University, by an unidentified correspondent; place and date not given—recorded; from the "International Panorama" program presented by Vsevolod Ovchinnikov]

[Text] [Correspondent] Some American economists are saying that very large sums are needed—on the order of 15-30 billion [currency not given] a year—in other words, something like a new Marshall Plan.

[Yavlinskiy] Yes, it's a question of very large sums, but it's a country and a problem that indeed demand... [changes thought] Everyone says good reform requires money.

[Correspondent] Can they make it available to us—the Western countries?

[Yavlinskiy] You know, I've been asked whether I'm not being overly optimistic, and I said no. I was asked whether I'm a pessimist, and I also said no. I said we've got to work.

[Correspondent] As I'm sure you know, in the United States at present, not only the economists, but a number of politicians too are saying that this is not the time to give financial aid to the Soviet Union. It is better if it helps itself. That is to say that first, deep economic reforms are needed, and then we can start talking about credits. Now they're saying that this could be money thrown to the wind.

[Yavlinskiy] Well, you know, generally speaking this is the problem of the chicken and the egg. Of course, if now, in the condition we're in, if they were to invest a little money or alot of money, you can be sure it'll do no good. But on the other hand, to say first carry out your reform and then we'll give you money, on the professional plane this just evokes a smile. If it were possible to do that—and it was possible a year ago, but we have now missed that opportunity—we wouldn't put the matter like that. We'd be putting it differently: Yes, here is our reform, we're beginning it, we're carrying it out, so please join us and we'll do it together. The question is, rather, what particular reforms are we about to carry out? What exactly are we going to do? For what specific purpose do we need the money? Well, for example: We intend to enable the producers to set their prices independently. And in order to allow them to do that, without those prices again soaring and increasing five- or ten-fold, we need to have, for that period, the opportunity to fill the shops with goods to soften that painful operation. Otherwise it simply cannot be performed. There's a specific aim, there is our specific move, and there is the concrete participation of the West in, say, this measure. In other words, that's a deep sychronization of action; or to put it differently, a joint program of reform.

[Correspondent] And has this viewpoint been sympathetically received by the Americans?

[Yavlinskiy] Yes, yes. Because we have been engaged in practical work for almost 10 days: practical calculations, practical modelling of the situation, practical analysis of how much money is needed by whom for what. This is of course the level of experts. It's not the government level.

[Correspondent] Are you preparing a document of some kind?

[Yavlinskiy] Yes, we are preparing a document with a view to submitting it to the government if events develop favorably: both to the Soviet Government and to the American Government, and also to the governments of the countries of the seven who'll be conferring in July.

[Correspondent] So it's not impossible that you will be sending it to the London conference in July if our president takes part in that?

[Yavlinskiy] It's not impossible that we will send it even before that meeting, so that the heads of state can familiarize themselves with the possible options for solving—or beginning to solve—the problems. But we must not pretend that all this will happen at all soon. Mobilizing such large sums of money takes time, and the reform may be carefully prepared, and if it is, then international organizations will be involved in its preparation.

Economic Chief Shcherbakov on Ministry Role

PM2405143191 Moscow IZVESTIYA in Russian 22 May 91 Union Edition p 2

[Interview with V.I. Shcherbakov, USSR first deputy prime minister and minister of economics and forecasting, by V. Romanyuk; date and place unspecified: "Further Restructuring of Gosplan"]

[Text] [Romanyuk] Vladimir Ivanovich, we have heard many times that the USSR Gosplan [State Planning Committee] is being transformed and reduced in size. It has indeed been transformed and reduced in size, but in essence it remains largely unchanged. So what now?

[Shcherbakov] Gosplan is to be transformed from a body that plans production into a body that plans economic development. In any event it will no longer have to draw up "schedules" of who has to supply goods to whom and when, nor will it be expected to perform output dispatch functions. The Ministry of Economics and Forecasting will be responsible for drawing up measures to influence the economy and forecasting the situation in the future.

[Romanyuk] For decades the USSR Gosplan was a directive, administrative, and executive body rolled into one. What directive functions does the new ministry retain and what will its purely market functions be?

[Shcherbakov] I do not know what directive functions it retains. Indeed, the Ministry of Economics and Forecasting has no directive functions.

[Romanyuk] But sectoral departments remain?

[Shcherbakov] With different functions. I have just been discussing the new structure at a collegium session. The existing apparatus is being scaled down by 50 percent and new departments and committees are being formed. Departments responsible for structural policy, forecasting, the consumer market, social policy, standard of living, currency, and so forth. A department for forming market relations and legislation is being created, based in the department for improving the economic mechanism. The defense complex—which used to be a kind of oasis—is now being merged with civilian machine-building. The USSR State Committee on Prices—which is being transformed into an interrepublic committee on prices—is being incorporated into the Ministry of Economics and Forecasting; a committee responsible for foreign investment is also being set up.

No one in Gosplan has ever before studied the problems of people's living standards; neither have they ever forecast the consumer market. The questions of how saturated the market really is and how its structure is changing are completely new. Take the use of foreign investment, for example. In the past we took credit and distributed it among the sectors. But now we have to tackle a more difficult task: We have to ascertain the conditions required to ensure that foreign capital enters our economy and is used to the greatest possible effect.

We are preparing a special program to attract investment from "the Seven," the International Bank for Reconstruction and Development, and the IMF. Close cooperation with the "Seven" will promote $20 to 25 billion in foreign investment in our economy each year. Another interesting idea is to integrate the united Europe's power generation system with a "green revolution" program. For example, our space technology could be used to develop the communications network in Europe, and Western technology could be used in food production in our country.

[Romanyuk] I recently had a meeting with N. Baybakov, who headed the USSR Gosplan for 20 years. In his opinion, the new leadership's most serious mistake was to remove wage controls.

[Shcherbakov] I think the order of measures taken was wrong. There has always been a commodity-money imbalance. Attempts to balance ready money with available goods failed. So we divided up the money: money for wages and money for everything else. This too failed to produce results. Instead of giving enterprises freedom to generate funds, we deprived them of freedom to spend what they had earned. That was when the whole monetary imbalance crashed down on the market and submerged it. We should have taken different measures: to saturate the market with goods, in particular.

[Romanyuk] You supported L. Abalkin's ill-starred decision to limit possible wage increases to 3 percent?

[Shcherbakov] No, I was one of those who opposed that decision. It was particularly wrong to "superimpose" this principle on the entire national economy: The most diverse conditions and problems exist within it. The principle did not work anyway: Within two weeks, consumer goods had to be exempted, then the agro-industrial complex, and finally the power generation complex. That was the end of it! After that the mechanism collapsed.

[Romanyuk] If we turn to the second part of the new ministry's name, what would be the forecast for the immediate future?

[Shcherbakov] If the anticrisis program is consistently implemented, the basic systems that ensure the economy's survival will be restored to their normal level by the fall. I am only talking about average daily output, of course. One of the reasons the economy is in a state of inertia is that the center and the republics have agreed that nothing is going to happen overnight. The recession will continue for another two or three months and then the situation will stabilize. But it will take enormous organizational efforts to recover the 10 to 12 percent of lost output.

[Romanyuk] It presumably will also take substantial foreign credit?

[Shcherbakov] That is precisely why I am flying to Italy, where I am due to meet the leaders of a consortium of Italian banks and an international trade organization consortium, as well as representatives of some 100 European banks and commercial firms. They are offering us credit from July 1991, but we would like to have it in late May or early June.

[Romanyuk] When the anticrisis program was being discussed at an enlarged session of the USSR Cabinet of Ministers, Minister of the Defense Industry B. Belousov raised the question of the need to draw up... an armament program. This comes at a time when the country's parliament is looking for ways to reduce military spending. How do you feel about this idea?

[Shcherbakov] I support it. B. Belousov is right when he says that, before we make arms cuts, we need to determine which arms we need and how many. At present, the conversion program is geared to transferring more plants to civilian production. But first we need to clearly define for ourselves what is meant by defense sufficiency and what equipment we rely on. When drawing up an emergency budget, we could stop the production of some kinds of military equipment that have a short production cycle. But are we looking in the right direction? We have 100,000 installations waiting to be finished; we would make more significant savings on budgetary expenditure if we were to sell them or even transfer them free of charge.

[Romanyuk] The USSR Gosplan has long been geared to serving an administrative-edict system. Will it be possible to reorient the apparatus rapidly to market methods of work?

[Shcherbakov] Different people have different views of the USSR Gosplan. But no one could deny that powerful intellectual potential is concentrated in it. Gosplan personnel have always been distinguished by their competence, professionalism, and high level of discipline. It is important to set the task correctly.

Restructuring people's way of thinking is difficult. We all grew up in this country and have not just come here for 15 minutes. We have an accord with the International Center for Social and Labor Problems on organizing cadre retraining. I am acquainted with the labor ministers in many European countries; they respond readily to requests of this nature.

[Romanyuk] Vladimir Ivanovich, you have decided to hold more than one office. Why?

[Shcherbakov] In principle, I oppose people's holding more than one office. But when I was entrusted with working on the anticrisis program and it was completed, the question of who should head the Ministry of Economics and Forecasting arose. Whatever people may say, it will all be happening in this building. If the ministry were to be headed by someone whose approach to tackling problems differed from my own, we would get bogged down in discussions and waste an enormous amount of time in the process.

[Romanyuk] Is there not a danger, however, that despite the present acute situation in the country day-to-day affairs will overwhelm and overshadow strategy?

[Shcherbakov] That is more a question of work style. I have no intention of interfering in day-to-day affairs or trying to do someone else's job; I personally dislike it when I feel my hands are tied. The important things are to agree on the objectives and results, talk through the most fundamental points, and ensure consistent action. Moreover, there are specific people who are wholly responsible for the result. Such questions as the population's living standards, the pace of denationalizing the economy, currency policy, and the attraction of foreign capital remain paramount.

[Romanyuk] In the atmosphere of uncertainty, many Gosplan workers have left to take up jobs in business and banking. Further renewal of the apparatus is now expected. How are you managing to attract people?

[Shcherbakov] A difficult question. The average wage in the USSR Gosplan is 330 rubles. Leading specialists receive masses of tempting offers. But I do not have the moral right to raise the question of increasing state employees' wages, because I myself raised the question of scaling down the state administrative apparatus and reducing expenditure on its maintenance. That includes the Soviet authorities. All I will say is that the problem exists and there are no ready solutions at the moment.

(P.S. Journalists from a number of Moscow publications took part in this conversation. Some of their questions have been used in the text of the interview).

Finance Official on Privatization, Securities

OW2905123291 Moscow INTERFAX in English 1830 GMT 24 May 91

["Point of View" feature entitled "Privatisation and Securities Market in the USSR", from "Business Weekly"]

[Text] The process of privatising state property in the USSR is in its initial stages. A securities market is likewise only beginning to take shape. In what way are these two processes interrelated? What is the way to carry out privatisation and what is necessary to form a securities market in the USSR?

These issues are examined by Mr Ilya Kitaigorodskiy, head of the department of credit of the Finance Ministry of the USSR.

PRIVATISATION AND SECURITIES MARKET. Privatisation can be carried out either in the form of sales or in the form of give-aways of state propety. There are two scenarios of giving away state property.

In the first scenario each citizen of the USSR would be given his share in state propety in the form of a special "bill of exchange" for an appropriately fixed sum.

Assuming that the value of the Soviet Union's fixed capital stock amounts to about 2.3 trillion rubles, each citizen would be entitled to around 10,000 rubles. No cash payments would be made however, although cash is exactly what entrepreneurs now need to launch and expand businesses. The "bills" will simply be government papers certifying that the bearer of the "bill" is entitled to a specified share of state property in money terms and stating that the sum may be expended only to buy shares of enterprises being privatised.

What would the bearer of the bill do? He will naturally want to invest the "money" in a profitable business. But the level of profitability of Soviet enteprises is far from uniform: in some enterprises it exceeds 100 percent, whereas some are loss-makers—therefore in some cases no dividends will be paid.

This would not be all that bad if everyone had equal opportunities to invest one's share in a business. It stands to reason, however, that profitable enteprises would arrange for their shares to be bought prilmarily by their own workers. What would other people do? They can hardly be expected to invest their "money" in loss-making enteprises.

Therefore the hoped-for distributive equity could hardly be attained.

Besides, if this scenario were to be chosen, the state would face a daunting financial problem: Having issued such "bills", it would have to honor them, since a majority of enterprises in the next one to two years would remain state-owned (at least, there is little doubt that the controlling interst in most of the country's larger enterprises will belong to state bodies).

With the rate of interest borne by shares envisaged to average 10 percent, the total amount of dividends to be paid out annually could well reach 200 billion rubles. The state simply does not have such sums of money available.

It is therefore very likely that over the next few years no dividends at all would be paid (or, at best, a freeze would have to be ilmposed)...

The second scenario of giving away state property consists in splitting up the property of enteprises into shares distributable to the workers employed by the enterprise. It is obvious, though, that in this case the worker of a large plant will find hmself in a more privileged position than the hairdresser or the school teacher, and the principle of equal opportunities will also be completely foregone.

What is more, if this approach were to be taken, a great number of questions of an administrative and technical character will have to be answered: what is the total value of shares to be given to this or that employee, is this sum to be caluculated on the basis of his length of service or his pay, what is the share to which are entitled those who often change the place of employment or have moved to another place of residence, what is the share to be given to pensioners, and are the shares of the employees inheritable upon their death. Besides, the problem remains of where to get the money to pay the dividends, although in this scenario the sum to be paid out is approximately one half that in the first case - about 100 bilion rubles a year.

NOTHING IS TO BE GIVEN AWAY GRATIS. The main principle to be observed in the course of privatisation is that nothing is to be given away for free. The main arguments against this approach are: people do not enjoy equal opportunities when they buy shares; shares and other securities may end up in the hands of dishonest people; and finally, the process of privatisation is likely to be protracted because the population do not have the money to get actively involved in it.

Indeed, those people who have larger cash holdings will be in a privileged position. But if the money has been earned in a lawful way, they have every right to spend it. Besides, preferential treatment may be accorded to those who decide to buy the shares of the enterprise they work at: for example, if the price of the share is 1,000 rubles, the employee may be given the right to make a 25 down payment with the rest to be paid in installments (other possibilities are for the rest of the sum to be paid by the enterprise, or by the shareholder himself out of the dividends).

Capitals accumulated in the underworld and the black market are unlikely to be used to purchase shares because in the initial stage registered shares are to be issued, whereas the law-abiding citizen—as has been evidenced by the sale of shares of the MENATEP financial group—is quite willing to invest his money (sometimes heavily) in shares.

Finally, we come to the pace of privatisation. Privatisation cannot be allowd to degenerate into just one more "campaign" and be carried out at the initiative of the authorities, which is exactly what is happening now. The impulses for it should come from the level of the enterprise, after the enterprise has determined the value of its fixed assets, ascertained the market for its products, clarified its export capabilities, etc.

PURCHASE OF SHARES BY FOREIGNERS. The law does not prohibit the purchase of the shares of Soviet enterprises by foreign natural and artificial persons. There are, however, no regulations stating the specific procedures to be followed and the terms under which it can be done. The central problem is that it is unclear which exchange rate is to be used in such transactions—the commercial rate (Ruble 1.8 for $1) or the market rate (Ruble 27.6 for $1). In the first case, it is unprofitable for the foreigners, in the second case—for the Soviet joint stock companies.

Therefore I believe that Soviet stock companies should be given the right to sell their shares to foreign nationals at contract prices. Also, it can well be expected that foreigners will be paying for the shares they buy mostly in hard currency. Therefore joint stock companies should seek to earn hard currency.

CONDITIONS NECESARY FOR THE FORMATION OF A SECURITIES MARKET IN THE U.S.S.R. Condition number one, without which the Soviet Union wil never have a securities market, is the transformation of state property into corporate property. Condition number two is that the joint stock companies being formed should be public companies, and subscription for their shares should be open. Condition number three, which can be met at a later date, is a transition from registered securities to bearer securities.

It goes without saying that the technical problems should also be resolved—shares should be sold via computer networks.

Solidarity Official on Soviet Miners' Strike

PM2405093491 Moscow KOMSOMOLSKAYA PRAVDA in Russian 22 May 91 p 1

[Feature comprising article by A. Kalinin and interview with Solidarity Vice President B. Borusewicz by V. Shutkevich in Gdansk—date of interview not given: "Quiet as the Coal Face; Two Views of the Miners' Strikes"]

[Text] Moscow—An attempt was made in Norilsk on the life of Vadim Blinnikov, deputy chairman of the miners' trade union, cochairman of the strike committee, and deputy of Norilsk City Soviet. A criminal case on the matter has been instituted. It was in this way that the mining and metallurgical combine workers' strike in Norilsk ended, after lasting more than a month. Though, it would be more correct to say that it has not ended, but been suspended.

The strike has been suspended in all the country's coal regions. Only a few mines continue the protest action.

In general, though, order has been established in the mines. But this order is relative and unsure.

Today it is entirely clear to me that the strike was premature and unplanned—the result of a provocation. The initial—purely economic—demands only later became political (although the miners' movement has for a long time been of a political nature). These demands helped to get a record number of miners out onto the cities' squares, but turned the enormous army of remaining workers against the strikers.

The strike was unplanned for a start because no strike fund had been created, and no agreed demands had been formulated by all the strikers. It flared up spontaneously, as a reaction to the worsening economic situation and the indecisiveness in implementing the reforms, though formally it was a mark of solidarity with the Donbass miners, who had come into conflict with their Ukrainian government. According to all the laws, the strike machine should very soon have started to release steam, and grind to a halt for a long time. At least, it was not intended to be capable of "reaching" the Kremlin walls. And if it not only "reached" the Kremlin, but went inside, this was largely "thanks" to the government, which managed to infuriate the mining masses to such an extent.

Let us recall that the strike was preceded by an extraordinarily tense internal political situation. The dying regime's supporters openly went on the offensive across a wide front. They succeeded in changing the president's allies. The democratic transformations began to become curtailed, and people began to talk about the Law on the Press being suspended. There were attempts to neutralize the Russian government. The miners became a real force standing in opposition to this offensive.

And still, why was this strike necessary? What use was it?

If you take the economic demands, the most important of them has been fulfilled. The government, in the person of Prime Minister Pavlov, recognized the necessity of concluding standard wage agreements with the workers. This goes way beyond sector interests, which is what the party veterans, pensioners, and kolkhoz workers accuse the miners of. In essence, the right of each of us, as hired laborers, to fix conditions when marketing our labor and to then demand their fulfillment, was recognized. This in itself is an element of typical market relations.

Not to beat around the bush, it was the miners who halted (they themselves express themselves in more circumspect terms—halted temporarily) the conservative forces' offensive. The Communist faction in the Russian Supreme Soviet was divided. Gorbachev went for an agreement with the union republics' leaders. But the strikers themselves see as their main achievement the fact that they supported there republics' sovereignty through their actions. Nazarbayev, Kravchuk, and Yeltsin all really felt more assured, having enlisted the miners' support. Although for them personally playing the miners' card was a fairly risky move. Today the miners have supported them, but tomorrow if their demands are not carried out, or the changes go too slowly, they can ditch them.

What else has the two-month long miners' strike thrown light on? That the country's leadership is guilty before its population: the court cases in Karaganda, which vindicated the miners' political demands, showed this. That neither the government nor the Supreme Soviet has at present any real power, because the attempts to ban or suspend the strike were limited only to statements made for effect. That there is no working class in our country; there is only the most organized and conscious (in the person of the miners) section of society, which engaged in the struggle for common human interests. But this struggle was supported by far from everybody, on the contrary, they had to listen to many rebukes and accusations that they were trying to finally destroy an already sick economy, although they were not destroying the economy, but the system. For, what is the good of coal which is used to smelt metal, from which tanks are made, which nobody needs?

Incidentally, the events in Minsk confirm that we should not be talking about developing the workers' movement in our country, but about raising the people's self-awareness. Everything is progressing as if according to a single scenario. In the beginning there is a spontaneous outburst and mass dissatisfaction among the people, whose interests for the moment are limited to their own stomachs and pockets. They form their representative organs, which random people, or figureheads, join in the initial stages—some people are easily fooled, and it is easy to come to an agreement with others. But by the time they seemed to have succeeded in both fooling people and reaching an agreement, the people on the street had matured to an extent that they became a society; they change their leaders and put forward different demands, understanding that the degree to which their stomachs and pockets are filled depends not on the specific people who have been put in power, but on which idea these people are putting forward and defending.

Moreover, the 1991 spring finally broke up the once monolithic miners' front. It split into several independent republic fronts—the Ukrainian, Kazakh, and Russian fronts. In many respects, they have different aims, different tasks, although they do declare their solidarity with each other in the struggle for their rights.

In the coal regions there is a lull, but the silence is deceptive. It is like ice on the river; beneath it life goes on swiftly. In some places the miners are changing their directors. In other places the directors are firing workers' movement activists. In some places, the administration tries to exploit the strikers' gains for their own purposes, securing higher salaries for themselves. Attempts to use the force of the law against the strike initiators continue. Losses to the economy, first and foremost to the coal industry, are still being calculated. The independent miners' union is making efforts to prevent the official trade unions from taking the initiative and profiting from the strike. A coordinating council has been created in Moscow on the basis of the all-union strike committee, which will oversee the Union and republic governments' fulfilling of the miners' demands. [Kalinin article ends]

Gdansk—The other day a Solidarity delegation from Poland, including four members of the trade union's highest ruling organ, the National Executive Commission, visited two of the country's coal regions—the Donbass and the Kuzbass. One of L. Walesa's old comrades-in-arms, the Solidarity Vice President B. Borusewicz, headed the delegation.

[Shutkevich] Bogdan, this is the first time that such a prestigious delegation of Solidarity has visited us. Who is behind this visit? What aims did you set yourselves, and have you succeeded in achieving them?

[Borusewicz] The idea of the visit occurred during the last miners' strikes in your country.

I want to emphasize that we have not come here to call for a continuation of the strikes. At the end of the day, whether or not you strike is an exclusively internal matter. In general, we do not consider ourselves to have the right to call for anything. We would like to find out what position our colleagues the miners are in, and how we can help them.

We are pleased that we were able to carry out in full the program set for our trip. And on the subject of specifically practical results, in my view the treaty on cooperation, signed by representatives of the Solidarity Lower Silesia Regional Committee and the Novokuznetsk City Strike Committee, may be counted among them.

[Shutkevich] It would be interesting to find out what you think of the independent workers' movement in our country.

[Borusewicz] During our trip, we were able to satisfy ourselves that this is a genuine workers' movement, which represents a great force. We were told in Moscow that there were about 1,000 people in the new independent trade unions. In Donetsk they were talking of 5,000 members. And when we spent some time at one of the mines, it transpired that as many as 6,500 of 8,000 workers declared their membership of the new trade unions.

[Shutkevich] You mentioned the new independent trade unions which have sprung up in the country's mining regions. Do they remind you of Solidarity at the beginning of the 1980's? In your view what are their strong and weak points?

[Borusewicz] What is happening in your coal regions is really like events in our country at the beginning of the 80's. Though there are also substantive differences. For example, we were much more careful at that time, and did not demand that the party committees were removed from the enterprises—we were simply afraid to talk about that openly. Your miners put forward such demands, and their strength, doubtless, is manifested in this. Well, as for the weak points... I would first of all count among them the narrow professional nature of the new independent trade unions, and their somewhat isolated position from other social groups. We, for example, have often asked ourselves the following question: Why didn't the students and teachers join the miners' strike in Donetsk, where there are major higher educational establishments? Why did workers from other sectors, say, metallurgy or light industry not support it, and their representatives not join the city strike committees? This is in part explicable: The miners went much further than the others in their demands, and found themselves, so to speak, on an island from which they are now looking in the direction of the shore: Will anyone else swim out to join them? But waiting passively in this situation is, in my view, far from being the best stance to take. The miners' committees should be centers for the most varied initiatives. They must find themselves allies from among the young people, the intelligentsia, and workers in the administration. For the time being, the workers, it has occurred to me, regard them with a certain wariness. I fully admit that the authorities are trying to use such feelings to deepen the isolation of the new independent miners trade unions, to set the population against them. And I see in this a serious danger against which we would like to warn our colleagues.

Deputy Interviewed on Privatization Schedule

OW3105093091 Moscow INTERFAX in English 1830 GMT 30 May 91

[Text] The program of destatisation and privatisation of property may be realized within a short period of time - from 6 to 12 months - Valentin Tatarchuk, the deputy chairman of the industry and energy committee of the Supreme Soviet of the USSR told IF [INTERFAX] correspondent.

In his comments on the work the Soviet parliament's committees and commissions have done to work out the bill "On the fundamentals of destatisation and privatisation of property", V. Tatarchuk, said the delimitation of powers of the Union and the republics in the privatisation process caused the main controversy in the working group. According to Tatarchuk, to realize the destatisation program proposed by the bill in the most efficient way, joint efforts of the State Property Fund which the government is setting up and appropriate republican and regional bodies are required. There is a different school of thought in the working group which calls for the division of fixed assets at the first stage into those of the Union and those of the republics.

The second contentious point was the question of forms of destatisation, Tatarchuk said. Substantial amendments introduced by the working group, he said, water down the proposed principles of distributing part of state-owned fixed assets among Soviet citizens without compensation. Tatarchuk holds the view that to create a viable market about 40

of the state-owned fixed assets should be handed over to the population, whereas the total share of privatised property should be no less then 60-65

The amendments to the bill should be debated in the Supreme Soviet, he said. However, it might delay for 3 to 4 days the second reading of the bill scheduled for early next week.

Oil Minister Discusses Reasons for Shortages

LD2505222891 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 25 May 91

[Interview with Leonid Ivanovich Filimonov, USSR minister in oil and gas industry by correspondent Natalya Chernyshova; date and place not given; from the "Vremya" newscast]

[Text] Let us now talk about an important sector of the national economy, the oil production industry. Although oil accounts for just 18 percent of the country's overall natural energy resources, as an energy producer it—side by side with gas, coal, and the atom—guarantees 45 percent of the demand. To put it briefly, we need oil very much. At the same time, its extraction fell by 7 percent last year. According to forecasts for this year, the fall in oil production will be even greater.

[Chernyshova] Leonid Ivanovich, I've been hearing the word shortage for as long as I've been hearing the word oil. Will the decree which we are talking about somehow stabilize the situation? Will it help production?

[Filimonov] Well, I'll probably speak to you first of all about the shortage. On the whole, a shortage moves, I would say, mankind forward. We need the decree today if only to normalize the so-called shortage, to resolve normal questions of life, to give equipment and materials, and to resolve other questions in order to guarantee state orders.

[Chernyshova] But, if you recall, at the 19th party conference, four priority spheres were put forward also.

[Filimonov] I think that these four spheres must implement these decisions without fail. On their basis, we would also then raise our sector. We are worried about one thing today. That is first of all technology and equipment, and we will not resolve them without machine-building, of which you are speaking. This is why we are speaking. But when we speak of oil, we would like to add to it questions of saving resources, of energy resources.

[Chernyshova] Would not a wage raise, provided there is an increase in output, lead to a new inflation spiral?

[Filimonov] Correct. And, let us say, the oil workers appreciate that. But a situation has evolved so that a number of sectors, whether right or wrong, achieved for themselves, well, an increase in wages and have not yet increased output. Therefore, we are sitting now looking for solutions, for an incentive to be found to raise wages and to urge, and to give oil workers the opportunity to produce more.

[Chernyshova] You know that you have shift teams. A shift team leaves the oil production site and buys up all possible goods in that area. And the oblast objects.

[Filimonov] Today, oil is not the property of the oblast in which shift workers work, nor of the oblast in which shift workers live. Therefore, there is mutual interest here. An economic mechanism must be established.

'Experts' Want Chevron Oil Deal Scrapped

OW0306045791 Moscow INTERFAX in English 1500 GMT 31 May 91

["Business Today"]

[Text] The Moscow weekly MOSCOW NEWS carried a letter from an independent expert panel to the Soviet President Mikhail Gorbachev demanding scrapping a project under which the U.S. company Chevron is to take part in developing the biggest oilfield in Tenghiz, Kazakhstan.

The oilfield in the Caspian Valley is estimated to contain 5 billion tons of oil.

The MOSCOW NEWS says in its comments that the deal is predicated on a very convoluted scheme allowing for "plundering the USSR with impunity".

The scheme is as follows. A joint venture is established in the Caspian Valley and will have a 25-year monopoly on oil extraction. The Soviet contribution is $850 million worth of equipment (the equipment has already been purchased) and the 2.5 billion rubles spent on prospecting and pre-development of the oilfield. This contribution, the newspaper says, is incommensurable with what the U.S. company gives, but, in accordance with the deal, each partner has an equal claim on the enterprise's property.

To add insult to injury, even the oil profits the Soviet Union is entitled to under the deal may go elsewhere as the deal provides for the import of goods to the USSR to the value of the oil profits. According to the MOSCOW NEWS, the USSR may get shoddy goods in exchange for oil and will have to "pay the prices it did not bargain for."

The panel says: "The economic substance of the project could not be simpler: the Soviet Union and Kazakhstan are to cede property rights to the country's most expensive oilfield and get nothing in return."

The panel urged to make public all the details of the deal and to inquire into how this deal that "ignores the national interests of the USSR and Kazakhstan" could be recommended for official endorsement.

Government Announces List of Tax-Exempt Goods

914D0205A Moscow RABOCHAYA TRIBUNA in Russian 22 May 91 p 1

[Unattributed article under the rubric "To Be Published Urgently!": "On Repealing the Sales Tax"]

[Text] *With a view to reinforcing the social protection of the populace in keeping with a joint declaration of the leaders of the supreme state organs of the USSR and the Union republics "On Urgent Measures To Stabilize the Situation in the Country and To Overcome the Crisis," and on the basis of an agreement between the Governments of the USSR and the republics, the USSR Cabinet of Ministers abolished, by a resolution dated 19 May this year, the collection of the sales tax on socially significant commonly used goods and services for the population, in keeping with the list.*

The governments of the republic will make additions to the list of goods and services included on a list provided in an annex to the present resolution proceeding from regional peculiarities and economic conditions.

List of Commonly Used Goods and Services to the Populace Which Are Exempt From Sales Tax

Foodstuffs

Meat and meat products (except for the goods sold to the populace at contract (unrestricted) prices referred to in annexes to Resolutions of the USSR Council of Ministers dated 12 November 1990 No. 1134, and the USSR Cabinet of Ministers dated 19 March 1991 No. 105)
Milk, butter, cheese, ice cream, cottage cheese, and other dairy products
Eggs, powdered eggs, and melange [already beaten eggs]
Margarine products, cooking fats
Processed lard and other table fats, mayonnaise
Bread and baked goods
Cereals and products from cereals
Flour, starch
Macaroni products
Tea, coffee, cocoa, and beverages made with them
Salt
Potatoes and processed potato products
Vegetables, melons, fruits, grapes, berries, and products of their processing (except for wine products)
Fish and processed fish (except for the goods sold to the populace at contract (unrestricted) prices referred to in annexes to Resolutions of the USSR Council of Ministers dated 12 November 1990 No. 1134, and the USSR Cabinet of Ministers dated 19 March 1991 No. 105)
Deli products, including semi-finished products (except for the goods sold to the populace at contract (unrestricted) prices referred to in annexes to Resolutions of the USSR Council of Ministers dated 12 November 1990 No. 1134, and the USSR Cabinet of Ministers dated 19 March 1991 No. 105)
Soft drinks, mineral water, and beer
Baby foods, including those produced abroad
Self-manufactured products of public catering, including products sold through retail trade outlets (except for the goods sold to the populace at contract (unrestricted) prices referred to in annexes to Resolutions of the USSR Council of Ministers dated 12 November 1990 No. 1134, and the USSR Cabinet of Ministers dated 19 March 1991 No. 105)
Confections (except for chocolate confections, boxed chocolates, and imported confections)

Light Industry Products Manufactured Domestically
Goods for children
Work clothing
Polymer (rubber) footwear
Felt footwear
Knitted and sewn underwear, including bed linens and tablecloths
Hosiery
Knitted gloves and mittens

Goods for Cultural, Service, and Household Uses
School writing books, diaries, albums for sketching and drawing, sheet-music books, blank classroom schedules, and other similar products, office supplies for children, school textbooks, and pioneer supplies
Bicycles for adolescents and children, skate boards, scooters, pedal cars and tractors, play pens, baby carriages, and so on
Furniture for children, sleds and skis for children
Toys, Christmas tree ornaments
Film-strip projectors, film strips, and other photo and movie goods for children
Records for children
Athletic and camping equipment for children and schoolchildren
Matches
Synthetic detergents
Bags and polyethylene packages
Sources of current and lighting fixtures
Sanitary napkins and paper napkins
Toilet and laundry soap
Toothpaste, tooth powder, vaseline
Fragrances and cosmetics for children
Medicines and medical products
Kerosene, stoker fuel and firewood, coal, gas, and electricity supplied to the populace

Services to the Populace
Housing, communal, and maintenance services (including rents), and postal, telegraph, telephone, and communications services

Services Related To Attending to Children in Pre-School Facilities

[no further text]

World Nuclear Power Operators Meeting Held

LD2905125791 Moscow All-Union Radio Mayak Network in Russian 1100 GMT 29 May 91

[Text] A meeting of the members of the World Association of Nuclear Power Operators is taking place today at the Beloyarsk nuclear electric power station in Sverdlovsk oblast. They are pooling experience, not only positive but also negative, so that everyone can have the opportunity to learn from the mistakes of others. They are also talking about training of personnel, modernization of old reactors, and effective communications between power stations and the world centers of the association located on different continents. You can imagine how important this meeting is from the statement by Great Britain's Lord Marshall, chairman of the board of directors of the World Association. He said: Had the association been formed earlier, the world might have avoided many tragedies, including Chernobyl.

Agriculture

Krasnodar Fruit, Vegetable Crops Going to Waste

PM3105105891 Moscow IZVESTIYA in Russian 27 May 91 Union Edition p 2

[Aleksandr Dergachev report: "Woe From the Harvest"]

[Text] Krasnodar—Early cabbages, strawberries, cherries, and greens are already being produced by the fields and orchards of the Kuban. Peas will soon be harvested. This ought to be cause for rejoicing, but...

By the start of the harvesting period only half of the necessary packaging materials for cabbages, strawberries, radishes, cucumbers, cherries, and apricots were available, and there was a similar shortage of glass containers. Supplies of the tin plate used to produce cans have almost completely dried up. There are no lids or rubber collars for them.

Mere trivia? But how will peas be procured in time without them? And how can we dispatch around 70,000 tonnes of fresh vegetables and 300 million standard cans to the residents of Moscow, Leningrad, the Urals, and the Far North? Yet these are things that cannot be found in the stores for love or money!

"The damage inflicted by the failure to supply all kinds of packaging materials runs to more than 200 million rubles," I. Nazarenko, first deputy chairman of the Krasnodar Kray Soviet Executive Committee, said bitterly. "And nobody can help us—neither the supply organs nor the Russian Government. Yet a good half of the harvest will be lost for nothing—nobody will be able to produce the same amounts tomorrow, and that will mean famine!"

Grass crops have ripened too, they are virtually a meter high. We ought to be rejoicing about such a harvest, but again there is a problem: This year only one-fifth of the equipment needed for grain procurement has been allocated. Does this mean that a feed shortfall has been preplanned? This will mean that milk yields will drop, that livestock weight gains will be reduced, and that there will be a sharp decline in the number of livestock in general. Miracles do not happen—you reap what you sow...

Stavropol Suffering Crop Production 'Paradox'

PM3005115091 Moscow SOVETSKAYA ROSSIYA in Russian 28 May 91 First Edition p 1

[TASS report: "Feed Us, Fields"]

[Text] Stavropol—The anxieties and worries associated with the spring sowing campaign are over for Stavropol's inhabitants. The sowing of grain corn and soybeans, crops particularly in need of high temperatures, was completed in the kray yesterday.

The Stavropol region's main wealth lies in its strong and valuable wheat varieties.

But here is a paradox: Among stockraising workers the strong and valuable varieties are not much sought after. It is rather to the contrary. Corn is favored at the livestock units. Even if corn sowings do not exceed wheat, they are rarely less.

The problem of feed protein is a key factor in overcoming meat and milk shortages. During the last harvest, although the state order for wheat was overfulfilled by more than 0.5 million tonnes, the corn handed over to state resources amounted to only 47,000 tonnes in the form of grain, and 120,000 tonnes in cobs.

Maybe the protein shortage is being made up by other protein yielding crops? The barley for the mixed feed plants is mainly imported from elsewhere. While feeding meat and dairy herds up to 1 million tonnes of wheat every year, Stavropol's inhabitants at the same time pour less than 5,000 tonnes of peas and about 1,000 tonnes of oats into the state storehouses.

Plans to increase grain corn production to 1 million tonnes in a season have been in embryo in the kray for more than a decade. According to specialists' calculations, it is sufficient to take 220,000 hectares of plowland for cob corn to achieve this, including 90,000 which are irrigated. In actual fact, grain corn has even now been sown at virtually the previous level—130,000 hectares.

Some farms obtain up to 30 quintals of soybeans per hectare, which is equivalent to a harvest of 120 quintals of wheat. But up till now, Stavropol's inhabitants have cultivated soybeans on 6,000-7,000 hectares of plowland. It is planned in the future to increase sowings to 30,000 hectares.

Weather Delays Seeding in Krasnodar Kray

914B0169C Moscow SELSKAYA ZHIZN in Russian 12 May 91 p 1

[TASS report: "Extraordinary Measures—Again"]

[Text] Krasnodar, 11 May—An emergency situation has been declared in the Kuban agrarian sector. This is the decision of the presidium and the executive committee of the kray soviet of people's deputies.

This year got off to a difficult start for Kuban residents. A prolonged rainy spring interfered with optimal timing for sowing agricultural crops. Tens of thousands of hectares are still waiting to be seeded with sunflower, corn, and vegetables. Especially critical is the situation at rice fields where sowing is only beginning. To salvage the situation and to complete the spring sowing in time, the kray emergency commission has established the outer limit for completing the sowing of agricultural crops. To help the bread producers, kray's industrial enterprises sent machinery, tractors, and—where necessary—workers.

Last year Kuban also had an emergency situation, except that it was during the harvest. At that time, these measures helped.

Military

Volunteers To Reinforce Units in 'Hot Spots'

LD0106105291 Moscow All-Union Radio Mayak Network in Russian 0800 GMT 1 Jun 91

[Text] The USSR Defense Ministry, starting from spring this year, will be reinforcing military units in the country's hot spots like Nagorno-Karabakh only with volunteers. This is reported by the RUSSIAN INFORMATION AGENCY. For those willing to do their service in places of social and interethnic tension a number of benefits have been proposed. The allowance for volunteers will exceed the soldier's allowance in the ordinary units by three to four times. In addition, the volunteers will be entitled to 20 days of annual leave.

Internationalist Troops Adopt Resolution

PM3105143491 Moscow KRASNAYA ZVEZDA in Russian 28 May 91 First Edition p 2

["Resolution of the First All-Army Conference of Internationalist Troops"]

[Text] The First All-Army Conference of Internationalist Troops notes that the political and economic situation in the country has reached a critical pitch and is continuing to deteriorate. Our people's socialist gains and the Soviet state's integrity are in jeopardy. Political confrontation is intensifying. In a number of regions interethnic confrontation has become extremely bad, blood is being shed, and people are dying. Separatists and other political adventurists are seeking to exploit in their designs the authority and combat experience of reserve troops who fought in Afghanistan and involve them in various illegal, militarized anti-Soviet formations.

The USSR Armed Forces and Internal Affairs Ministry and KGB troops are being subjected to frenzied attacks by extremists and nationalists. The drafting of young men into military service has been disrupted in some republics, which is very prejudicial to combat readiness.

The difficult crime situation in the country has also left its mark on the Armed Forces. There is a growing number of cases of evasion of military service, thefts of weapons and ammunition, and nonregulation relations, primarily between servicemen of different nationalities.

The potential that internationalist troops possess for boosting the patriotic and international education of Soviet citizens, above all young people, their preparation for military service, and the strengthening of combat readiness, organization, and military discipline in the Army and Navy is by no means being fully exploited.

The crisis situation that has developed in the country demands cohesive and united action by all healthy forces to uphold our people's socialist gains and provide guaranteed security for their peaceful labor.

Recognizing their responsibility to the Fatherland, the delegates to the First All-Army Conference of Internationalist Troops declare that:

1. The internationalist troops will persistently and purposefully seek to strengthen the USSR as a unified federal socialist state and to ensure the immediate signing of the Union Treaty, the all-around renewal of Soviet society, and the further deepening of perestroyka.

The conference roundly condemns the obstructionist actions of antisocialist, nationalist, and separatist forces, the interethnic strife and enmity they are fueling, and the practice of holding rallies and strikes in departmental or parochial interests, which do the country immense social and economic harm. All this demands the adoption of immediate and decisive measures to establish and maintain the rule of law and order in the state.

2. In view of the contradictory nature of the present-day world situation, the internationalist troops consider it their very important duty to participate actively in the solution of tasks connected with ensuring that the Soviet state's defense capability is kept at the level of reasonable sufficiency and guaranteed security.

The conference roundly condemns the separatists' efforts to fragment the USSR Armed Forces along ethnic lines, discredit the army and Internal Affairs Ministry and KGB troops in the people's eyes, impose departyization, alienate servicemen and members of their families from political life, and deprive them of their constitutional rights.

The internationalist troops' main task will be to actively participate in conducting the military reform, strengthening the combat and mobilization readiness of the USSR Armed Forces, and instilling in personnel courage, steadfastness, valor, military conmradeship, a constant desire to master weapons and combat equipment, and a high level of efficiency and discipline.

We consider it necessary to make a more persistent effort to introduce into the forces on a wider scale the internationalist troops' combat experience and their practice in organizing, conducting, and supporting combat actions, the moral-political and psychological preparation of personnel, and preservation of their lives and health.

3. Army and Navy internationalist troops' councils, in conjunction with commanders and military-political organs, are to constantly maintain and strengthen links with local organs of power, Great Patriotic War and labor veterans, party and Komsomol organizations, associations of reserve internationalist troops, and other public organizations in the interests of the military-patriotic education of citizens and preparation of young people for service in the USSR Armed Forces.

The extensive participation of internationalist troops in general political actions for the preservation of the USSR and strengthening of the unity of army and people and in mass military-political events celebrating the 50th anniversary of the Soviet people's victory in the Great Patriotic War is to be ensured.

A persistent effort is to be made to carry out individual explanatory work among reserve internationalist troops concerning the inadmissibility of their participation in various separatist organizations and extremist armed formations.

4. Internationalist troops' councils are to work hard to ensure the implementation at local level of the USSR president's 25 April 1991 decree "On measures to ensure the social rehabilitation and improving living and general conditions for people who performed their international duty in the Republic of Afghanistan and members of their families and other participants in local conflicts outside the USSR" and other legislative acts. They are to contribute to the swift solution of internationalists' vitally important social questions, particularly those associated with pensions, with obtaining housing, with treatment, with finding jobs, and with the provision of means of transport for invalids. They are to participate in the distribution of the material assets allocated by state organs, social organizations, and citizens to improve living conditions.

They are to join commanders and military-political organs in organizing patronage by military units' and ships' personnel of local Great Patriotic War veterans and internationalist troops who are invalids as a result of wounds and diseases, rehabilitation centers, war and labor veterans' clubs and also of the families of dead servicemen.

They should consider it a matter of honor and conscience to pay last respects to dead internationalists and tend their graves.

5. The conference supports the initiative by the USSR Defense Ministry of conducting an All-Union Unifying Conference of Internationalist Troops and creating an Organizing Committee to prepare and convene it.

The Organizing Committee to prepare for the All-Union Unifying Conference would include a 10- or 11-man Coordinating Group drawn from the USSR Armed Forces. They would be released from their duties for the duration of the preparatory period.

6. The conference asks the USSR Supreme Soviet to adopt a USSR law on the legal status of internationalist troops and will propose that 15 February (the day of the withdrawal of Soviet troops from the Republic of Afghanistan) be declared "Internationalist Troops Commemoration Day" and also that a monument to the internationalist troops be erected in Moscow.

The conference instructs the delegates on the Organizing Committee to Convene an All-Union Unifying Conference of Internationalist Troops to submit these proposals to the USSR Supreme Soviet in the proper way.

7. The delegates' proposal on creating a Union of USSR Armed Forces' Internationalists is to be adopted. Its leading organs are to be elected at the Second All-Army Conference of Internationalist Troops.

The Coordinating Group drawn from the Armed Forces, taking into account proposals by Army and Navy internationalist troops' councils, has until October 1991 to draw up draft documents regulating the activities of the Union of USSR Armed Forces' Internationalists.

8. The conference asked the country's president, the USSR Security Council, and the USSR foreign and defense ministers to step up efforts to trace, free, and bring home Soviet citizens who were taken prisoner or went missing in the Republic of Afghanistan.

9. The conference instructs the Coordinating Group to study and consolidate the observations, reocmmendations, and proposals made by the conference delegates and report them to the USSR defense minister for his decision.

Councils of internationalist troops are to be informed of the adopted measures before August 1991.

The USSR defense minister is to be asked to declare the conference results and its resolution an order and to appoint people with responsibility for the implementation of the adopted decisions.

PRAVDA Interviews Chief of Border Troops

PM2905170591 Moscow PRAVDA in Russian
28 May 91 Second Edition p 6

[Interview with Colonel General I. Kalinichenko, chief of the USSR KGB Border Troops, by V. Izgarshev and A. Suvorov; date and place of interview not stated; first paragraph is introduction: "Man at the Border Post"]

[Text] Colonel General I. Kalinichenko, chief of the USSR KGB Border Troops, describes the situation on the border.

[PRAVDA] Ilya Yakovlevich, today we publish photographs from the border. From the extreme Northwest, from Nikel, from the Kuril island of Shikotan, and from the Pamir. But a photograph is a photograph, it is static. And you are the man who, figuratively speaking, really knows every minute everything by which the Union's state border lives and its entire length of over 62,000 km. What is taking place on the border now?

[Kalinichenko] Yesterday and today the border was working and is working very strenuously. If the following comparison is appropriate, I would say that the border is an endless conveyor belt of problems—political, economic, social, national, and, of course, military. Thousands of specialists of various levels—from the country's top leadership to the border serviceman—take a direct part in their solution.

The border really reflects the processes taking place in society. As for our troops, I shall note that in recent years in not a single region have the border servicemen given cause for the aggravation of the situation on the plane of interstate or domestic relations. And in the places where these photographs were taken and in the Baltic republics, the Transcaucasus, Moldova, and in other regions we are seeking to create a favorable psychological situation and by our actions and deeds to generate trust in the border guards.

[PRAVDA] But it must be admitted that the local population's attitude toward the border guards in a number of republics has changed markedly and, frankly, not for the better.

[Kalinichenko] Yes, that is unfortunately so. And we do not exonerate ourselves. To be honest, we have had people, including highly responsible people, who have given just one response to the local population's requests: It is not done.

No efforts, no extra forces and funds, will allow us to guard the border successfully unless we are with the people. We realize this very well and we are doing everything to be closer to people, to live by their concerns and needs. The border guards have begun to visit villages and hamlets and remote farmsteads more frequently. They are actively helping in agricultural work and giving a helping hand in emergency situations. In many population centers we are the patrons of schools, veterans, and simply the elderly. I would also mention the democratization of the border. In a whole series of regions access to border rivers, historical monuments, and so forth has been opened up. The inhabitants have the opportunity conduct economic activity behind the warning signals without excessive formalities and to visit their relations and friends in adjacent territories.

[PRAVDA] And that is undoubtedly noted and assessed...

[Kalinichenko] Of course, our troops are few in number. But through the will of the voters two border guards are working in the USSR Supreme Soviet, 13 have been elected to the supreme soviets of union republics, four to the supreme soviets of autonomous republics, and 916 to local soviets. That says a lot, in my opinion.

[PRAVDA] To this day some people are trying to assert the categories of the past in the public consciousness: "the iron curtain, the toughest border, the grim border guard." That is about us. And about them: "The West lives without barriers and cordons," "the borders there have been superannuated." How far does all this accord with the truth?

[Kalinichenko] We shall speak the language of facts. The budget for the U.S. coast guard and immigration services which perform the functions of the border troops is 2.6 times greater than the Soviet border troops' budget. With a considerably shorter land and sea border, the United States has 43 more ships than the USSR. That country's border guard aircraft pool has twice as many aircraft and 10 times as many helicopters as our border air force. For comparison small Japan guards its border interests with the aid of 322 ships. Our naval units have about 200 ships. As for the "grim border guard," I would rather call him serious and preoccupied. And there are objective reasons for that. First, many border units and subunits are not fully manned and that means that people are overworked, experiencing difficulties of a professional, economic, political, and social nature. Second, the situation on the border. On the Soviet-Afghan section alone 113 hostile actions were averted over the year. In brief, the tension is not abating and in a number of places it is being aggravated.

[PRAVDA] Well, that obviously affects primarily the Transcaucasus and Central Asia?

[Kalinichenko] Not solely. With the change in the political structure of the adjacent countries of Eastern Europe, the abolition of the Warsaw Pact, and the withdrawal of Soviet troops from former socialist countries, the NATO special services have gained direct access to the USSR's borders. They have activated the gathering of information. That is borne out in particular by the doubling in 1990-1991 of CIA appropriations for covert agent intelligence against the USSR.

The special organs and anti-Soviet and nationalist centers are directing considerable efforts toward the undermining of the USSR's political and economic foundations, the kindling of interethnic hostility, and the anti-Soviet brainwashing of the population. These actions can be observed in the Baltic republics, the West Ukraine, Moldova, the Transcaucasus, Central Asia, and Kazakhstan. And we must take this into account if we want peace and calm on our own land.

[PRAVDA] And nonetheless the new political thinking is blazing a trail...

[Kalinichenko] Undoubtedly. That is particularly noticeable on the border. In recent years our country's trade and economic, cultural, and humanitarian ties across the state border have expanded.

For their part the border guards are doing everything to promote their development. On many sectors of the state border today there is considerably more mutual understanding between adjacent border authorities. Relations with Norway, Finland, and Turkey have been regularized. Agreements have been concluded with Iran on the simplified passage of citizens across the border.

For the first time in history agreements have been concluded with the United States on a simplified procedure for mutual visits by U.S. and Soviet citizens in the Chukotka-Alaska region and for the creation of a joint Soviet-U.S. commission for the purpose.

Businesslike, friendly relations are successfully taking shape between the border troops of the USSR and the

PRC. There is a committed quest for a solution to joint questions with the security agency on the Sea of Japan.

[PRAVDA] We can feel increasingly acutely the high price of spirituality, patriotism, and martial comradeship. What can you say about the moral and political atmosphere among the troops?

[Kalinichenko] I shall speak most responsibly: The border people are real patriots of the Motherland. They live by its interests and concerns.

[PRAVDA] The 50th anniversary of the start of the war is approaching. It is widely known how the border guards met the enemy...

[Kalinichenko] What can one add to that? Some 826 border guards were awarded orders and medals for the first battles on the border. Nine became Heroes of the Soviet Union. We remember each one who made a contribution to the common victory. The Fatherland's borders were created by more than one generation of our people. The history of the Russian border guard is more than five centuries old. The first border posts appeared in 1512. The great Prince Vasiliy III who instituted them urged his successors: "Guard the land reliably against enemies."

This call is topical even today, is it not.

[PRAVDA] On behalf of millions of PRAVDA readers and on behalf of the collective of PRAVDA workers, we convey congratulations on the holiday to you personally and to all our border guard friends.

[Kalinichenko] Thank you.

Border Guard Deputy Marks Border Guard Day

91UF0800A Moscow KRASNAYA ZVEZDA in Russian 28 May 91 First Edition p 1

[Report on interview with Lt Gen N.V. Britvin, first deputy chief of the USSR KGB Border Troops, by Lt Col V. Murin on the occasion of Border Guard Day: "We Serve the Soviet Union"]

[Text] **On the eve of the holiday, our non-staff correspondent met with Lieutenant General N.V. Britvin, first deputy chief of the USSR KGB Border Troops, and asked him to answer a number of questions.**

[Murin] Nikolay Vasilyevich, as far back as 1918, V.I. Lenin signed the Decree of the Soviet of People's Commissars concerning the establishment of a border guard. Since then and to this day, soldiers in green peaked service caps vigilantly guard the borders of our Motherland. They fought bravely in the years of the Great Patriotic War...

[Britvin] Yes, the border troops always and at all times have done everything in their power to guarantee the security of the state and the inviolability of its borders...

Less than a month remains to that day when our people will mark the 50th anniversary of the beginning of the Great Patriotic War. In the "Barbarossa" plan, Hitler's strategists did not fail to take Soviet border troops into account as well. Special detachments were established to fight them in all groups of the fascist armies. Each of these subunits targeted against one or another subunit of the border troops was numerically more than ten times larger and equipped with tanks, armored vehicles, and various artillery systems. The German general staff allotted a half hour for the elimination of our border troop subunits, but each of the 485 subunits on the Western border fought from several hours to several days, and some even a week, engaging from a company to a battalion of enemy infantry.

There is a spot on the northern sector of the western border where during the war the fascists did not succeed in crossing the border and did take even one step on Soviet soil. Undoubtedly, here it is not just a matter of heroism and readiness for self-sacrifice, although this also helped in winning the battle. The excellent prewar training of the border troops had its effect. Also, not one case is known of a border post, a detail, or a soldier leaving the border they were guarding on 22 June 1941 without an order.

History has to be studied and conclusions have to be drawn. Unfortunately, not all of the names of the thousands of soldiers and officers who died in the battles a half century ago were preserved. We are doing everything within our power to restore the lost pages of the combat chronicle of the border troops. Research groups have been operating for almost two years now in the main directorate, in the military-political departments of the Western, Baltic, and Northwestern border districts, and in each border troop detachment. We hope that by the 50th Victory Anniversary not one border guard will appear on the missing in action list, and that his name will be entered in the All-Union Memorial Book.

[Murin] Our country is going through difficult times now. This, naturally, also affects the service of the border troops.

[Britvin] Yes, it is not easy for us now to perform the tasks that have been assigned to the border troops. You know what kind of situation is evolving in the Transcaucasus, the Baltics, and Moldova. Some would very much like to drag the troops into a war of sovereignties. Until now, we have succeeded in organizing border security also to consider local interests, including national interests, giving priority to general state tasks. But you yourself understand that this is not easy to do.

Today, protection of the Union's economic interests on the border is first and foremost, and also the political aspects of the activity of the troops in guaranteeing the inviolability of the border and the territorial integrity both of the Union and of the sovereign republics.

A process of democratization is going on here both in the plan of the internal life of the troops and in the plan of the organization of the security of state borders. The depth of the border zone has been reduced significantly, by several times. Although, of course, certain classified restrictions exist, but they are always coordinated with local organs of authority and, as a rule, they are met with full understanding by the residents of border areas. I will say further: In a number of places after we removed engineering and technical facilities and eliminated the border zone, people began to come out for a stricter regime.

[Murin] You mentioned the defense of the interests of our country on the border. What does this entail?

[Britvin] Well, the border troops detain not only violators, weapons, and drugs. For example, checkpoint border details confiscated contraband in a sum of more than 17 million rubles [R]. Moreover, the border troops are charged with protecting the economic and ecological interests of the USSR within the bounds of a 200-mile zone. But this is more or less 8.5 million square miles of sea and open ocean. And what is more, last year border troop ships detained 31 foreign vessels for violation of fishing regulations in our country's economic zone. They were fined a total sum of about 5 million foreign currency rubles.

Protection of the economic interests of the country is called one of the priority tasks of the border troops in a concept to reform the security of state borders and economic zones of the USSR that was developed and that has already been considered by the USSR Supreme Soviet committee on defense and security matters.

[Murin] And just how do you plan to do this?

[Britvin] First of all, by increasing the efficiency of troop activity on international travel routes. With the implementation of the law on entry into and exit from the country, according to our forecasts, the flow of people across the border, as well as means of transport, will grow significantly. But even now, frankly speaking, the troops are carrying out admissions to the limit of their abilities. Now there is a question of opening about a hundred checkpoints in various cities of the country, in addition to what already exists. Additional personnel will be required, a lot of social problems will have to be resolved, indeed, also questions of a purely educational character, and there will be a need for a further increase in the political and general culture of the border troops. After all, our young men who put on a green uniform with shoulder boards for two years are the first to welcome and the last to say farewell to those who cross the state border.

[Murin] Well, we have now come to the educational work. And here, the question is natural: What is new after the reform of the military-political organs, and how are mutual relations with the party committees getting on?

[Britvin] The main thing in the mutual relations of the military-political organs and the party committees should be, and I hope will be, joint and amicable work in the interests of the successful resolution of the tasks facing the troops. No matter how the functions of one and the other are divided today, we have a common concern about the education of patriots and defenders of the Fatherland, inasmuch as there is a person behind every act, good or bad, and in this case, it is our soldier, sergeant, warrant officer, and border troops officer.

As for what is new... We have begun to pay more attention to the social protection of the border troops and members of their families, we are teaching the history of the border guards in old Russia and the Russian state, and we are educating personnel in such sacred concepts as devotion to duty, the honor of a border guard, and the traditions of the Russian Army and Navy. Today, we are subjecting our store of knowledge to serious and honest revision, especially legal knowledge. We are evaluating whether this knowledge is sufficient enough to be ready at any moment on behalf of the state to make important decisions on its borders.

Ease of Stealing Arms From Military Deplored

PM3005093091 Moscow KOMSOMOLSKAYA PRAVDA in Russian 29 May 91 p 1

[Report by V. Sanatin: "Armed But Not at All Dangerous"]

[Text] We know there is no problem buying weapons on the Soviet black market. And prices are fair when recalculated in dollars. But why buy anything if MVD [Ministry of Internal Affairs] representatives and even whole army subunits can now be disarmed with such ease that you start to have grave doubts about the professional training of the defenders of the law and the Fatherland?

The raiders' latest victim is the sentry at the Sverdlovsk tank artillery military-political school. They used a tear gas grenade to disarm the young man. According to MVD information, the young man engaged in a desperate one-on-one struggle with a masked bandit and even managed to fire off six shots... but missed his target. Mature technique prevailed. A tear gas attack, loss of consciousness—no submachine gun!

The militia watchdog did not help. It lost the trail in a forested parkland area. Possibly forever.

We can lament at length over the fact that students at Soviet military schools and recruits to the Soviet Army, 18- and 19-year-old youn men, are as gullible as children. Their commanders are gullible too. Commonsense logic has long prompted new kinds of guard posts and guard details in which not just the safety of buildings but also the inviolability of the sentry are monitored by additional forces.

Baltic Republics

Baltics To Intensify Efforts for USSR Talks

LD3105200491 Moscow All-Union Radio First Program Radio-1 Network in Russian 1400 GMT 31 May 91

[Text] State delegations of the Latvian, Lithuanian, and Estonian Republics have been instructed by Gorbunovs, Landsbergis, and Ruutel, the chairmen of the Supreme Soviets of these republics, to continue efforts to accelerate the start of genuine negotiations with the USSR. The three took part in a session of the Baltic Council which ended today. It is agreed in the document that the republics will give each other detailed information on the content and results of every meeting with the relevant USSR delegations.

Godmanis Comments on 'Useful' Talks With Pavlov

LD3105211591 Riga Radio Riga Network in Latvian 1730 GMT 31 May 91

[Text] Latvian Government Chairman Ivars Godmanis and Finance Minister Elmars Silins met today with the USSR Prime Minister Valentin Pavlov. Ivars Godmanis told a Latvian Radio correspondent that they discussed problems concerning finance, and the process of privatization in Latvia. A possible sharing of Western assistance between Latvia and Russia, and the question of possible actions by the center to stop economic reforms in Latvia were also discussed. Prime Minister Pavlov promised that such actions would not be started.

Ivars Godmanis assessed the meeting as useful and positive. He remarked, however, that the results of this meeting should not be viewed with excessive optimism because experience has shown that agreements are not always reached.

Leaders Agree to Soviet Aid 'On Condition'

AU0106154191 Paris AFP in English 1525 GMT 1 Jun 91

[Text] Brussels, June 1 (AFP) — The presidents of the three Soviet Baltic republics agreed Saturday [1 June] to the principle of Western aid for the Soviet Union on condition that the aid was not used against them and that Moscow refrained from violence.

The presidents of Lithuania, Latvia and Estonia were "just asking that the (Western) support to the Soviet Union not be directed against the Baltic states" and that the Soviets "use no violence against the Balts", Lithuanian President Vytautas Landsbergis said at a joint press conference here.

This aid should only be granted "with political support (from the West) given to the Baltic states", he said.

Mr. Landsbergis, together with Latvian President Anatolijs Gorbunovs and Estonian President Arnold Ruutel, was in Brussels at the invitation of the Benelux Inter-Parliamentary Consultative Council. Mr. Ruutel said the aid "should be connected to certain preconditions such as negotiations with Baltic states" whose independence should be recognised. Mr. Gorbunovs set a double condition, democratisation and the creation of a market economy in the Soviet Union. "If the democratisation process in the Soviet Union is stopped we'll never enjoy independence" he said.

The three leaders said they welcomed the moral support of the Belgian, Dutch and Luxembourg deputies.

At a meeting Thursday in the Lithuanian capital Vilnius, the three Baltic presidents called on the West to deny Moscow large-scale credits so long as it resorted to violence against the pro-independence authorities. The Soviet Union has asked for several billion dollars worth of aid to support the ailing Soviet economy. The request is to be discussed at the summit of developed nations (G-7) next month in London.

A meeting between the Baltic leaders and Belgian Foreign Minister Mark Eyskens had been envisaged for Friday but was cancelled, a Foreign Ministry spokesman said. The spokesman said Mr. Eyskens had a conversation with the Soviet ambassador at the Foreign Ministry in line with a long-standing arrangement, but that the Baltic question had not been discussed and that the conversation "had no relation with the visit of the Baltic presidents".

Procurator General: OMON Actions 'Illegal'

LD0106202591 Moscow Central Television First Program Network in Russian 1800 GMT 1 Jun 91

[From the "Vremya" newscast]

[Text] Now to events that are a week old. I will remind you that according to reports by the Latvian Council of Ministers, on the night of the 22 to 23 May a detachment of special purpose police [OMON] of the USSR Ministry of Internal Affairs destroyed five customs posts on the border of Latvia and Lithuanian, which were set up in breach of Union legislation. However, Ilmars Bisers, first deputy chairman of the Latvian Council of Ministers, has said that from the moment the declaration of independence was adpoted, no USSR laws or presidential decrees are valid in Latvia. The opinion of the USSR procurator general:

[Begin recording]

[Bakarinov] Nikolay Semenovich, the media are reporting the events which have taken place in the Baltic in their various aspects and with various degrees of emotion. In connection with this, a question: Was the setting up of customs buildings on the territory of the republic legal?

[Trubin] Illegal.

[Bakarinov] Were the actions of the special purpose police directed at the destruction of these buildings legal?

[Trubin] Also illegal.

[Bakarinov] So one unlawful action gives rise to another unlawful action?

[Trubin] You are quite right. In fact, there is a USSR law called, 'On the demarcation of powers between the USSR and subjects of the federation.' It was adopted on 26 March 1990. This law placed the establishment of principles for organizing customs procedure on the basis of unity of customs territory, customs rules, and customs dues, under the exclusive jurisdiction of the USSR. The decision of the goverment of Latvia of 3 July 1990 on creating a customs service, and the law of the Lithuanian Republic of 9 October 1990 go beyond the bounds of their competence, in the first place; and in the second place, are in contravention of Union legislation.

On 16 April the procurator of the Latvian SSR [Soviet Socialist Republic] made a submission to the Supreme Soviet and the Council of Ministers of Latvia on the unlawful nature of the activity of customs offices and posts, and on the need, within a period of three days, to annul all acts adopted that impede the free export and import of output into and out of the territory of the republic. No reply to this submission ensued. At the same time, the Baltic republics' transport procuracy addressed similar proposals to the Supreme Soviet and the Council of Ministers of Latvia. The reply was as follows: Your arguments do not merit attention. It was under these circumstances that the action was carried out by the Riga OMON and the Vilnius OMON to remove a number of customs posts on the border of Latvia and Lithuania: 16 of 78 posts were removed.

[Bakarinov] According to some reports, you have brought criminal charges against the OMON; according to others, OMON cannot be made accountable. How would you comment on that?

[Trubin] The fact is, you see, OMON acted without authorization, and in this we perceive signs of OMON exceeding its competence and powers. There must not be such a situation in our country, in a rule-of-law state. [end recording]

MVD Denies Baltic 'Operations'

LD3105140691 Moscow TASS in English 1348 GMT 31 May 91

[Text] Moscow May 31 TASS—The Federal Interior Ministry [MVD] has sent groups of officials to Latvia and Lithuania to investigate actions by OMON special operations police forces to close a number of customs posts in these Baltic republics, officials at the ministry's press centre told TASS.

According to preliminary information, OMON units in Riga and Vilnius moved to dismantle customs posts on the borders of Latvia and Lithuania on May 23 and 24. Those operations sparked off a public controversy.

How can be they be evaluated from the legal standpoint? Asked this question, Soviet Interior Ministry press centre officials cited the federal law of April 26, 1990, on the delimiting of powers between the central government and republics.

The law gives the central government the exclusive right to organise the customs, which, it says, should be a uniform, integral service with uniform rules and customs duties.

The federal customs committee, which is responsible for the service, is the only authority to establish or reorganise regional customs administrations.

The authorities of the Baltic republics, which decided to declare customs borders, launch customs services of their own and set up customs posts, exceeded their powers, contradicting federal legislation.

There is ample evidence of gross violations of legality at these posts. Material objects, including foodstuffs and industrial goods belonging to enterprises, organisations and private persons, are routinely confiscated during transport checks.

This infringes upon the rights of citizens and enterprises, destabilises the economy and provokes conflicts.

President Mikhail Gorbachev's decree on emergency measures to provide enterprises with material resources bound republican and local authorities to lift, within a week, bans on the export of goods by enterprises out of their republics and regions.

However, none of the Baltic republics has complied.

They also ignored the federal public prosecutor's complaints about the illegitimate activities of their customs posts.

It is in these conditions that the Riga and Vilnius OMON moved to dismantle a number of customs posts on the borders of Latvia and Lithuania.

It should be stressed that the operations were undertaken without an order from the Federal Interior Ministry.

Pugo Ignorant of Attacks

OW0306014491 Moscow BALTFAX in English 1500 GMT 31 May 91

[Text] Vilnius OMON [Special Purpose Militia Detachment] commander Boleslav Makutinovic appeared on Lithuanian TV in the evening of May 30 and confirmed that Soviet Interior Minister Boris Pugo knew nothing about the attacks on the republic's customs station. According to the OMON commander, it was "due to lack of coordination".

The leader of the "black berets" also said that "weapons kept illegally were and will be taken away." He did not specify, however, what kind of weapons those the officers of the Area Protection Department had or those belonging to police.

Supreme Soviet Members Comment

OW0306062891 Moscow BALTFAX in English 1500 GMT 31 May 91

[Text] Soviet parliamentarians Sergey Belozertsev and Khamza Fareiyev hold a press-conference in Riga on Friday.

Belozertsev, Yeltsin's RSFSR presidential campaign manager, and Fareiyev were officially invited to come to Latvia by Latvian authorities. They and two aides collected documentary materials about the operations of the Riga OMON [special purpose militia detachment] at Lithuania's border with Latvia and Estonia from May 27-30. The materials will be submitted to the Union and Russian parliaments.

Belozyorov reports that the investigation uncovered at least 15 violations of the penal code by the Riga OMON. "We have evidence that the executives of the Soviet Interior Ministry are covering up for the Riga OMON and the unit was ties with the procurator's office of the Latvian SSR and the Latvian Communist Party," said he.

Fargiyev added that he had information concerning connections between the OMON and the Baltic Military District. According to him, "the movement of tanks and armoured personnel carriers in the morning of May 25 past strategic facilities in Riga could be a demonstration of force and a dress rehearsal before a takeover".

Latvian Official on OMON

LD0106092191 Moscow All-Union Radio Mayak Network in Russian 0800 GMT 30 May 91

[Excerpts] After the plenary sitting on 29 May at which the Latvian parliament adopted a protest note to USSR President Mikhail Gorbachev and the USSR Supreme Soviet a news conference was held at which this and other documents were explained by Talavs Jundzis, chairman of the commission for defense and internal affairs. Here is an excerpt of what Talavs Jundzis said at the news conference:

[Begin recording] [Jundzis] This concerns a document which was sent to me by Janis Peters. We received it yesterday evening. It is a letter from USSR Minister of Internal Affairs Boris Pugo to USSR Supreme Soviet Chairman Lukyanov.

In this letter the actions by the OMON [special purpose militia detachment] men are described as, or called, undertakings for unblocking the customs posts. There is also a reference to the fact that Latvian Soviet Socialist Reublic [SSR] Procurator Mr. Dauksis warned the Council of Ministers and the Supreme Council of the Republic of Latvia on 19 April that these posts are illegal. It is also being asserted that these operations have taken place without an order from the USSR minister of internal affairs, and that the USSR Ministry of Internal Affairs has not reported anything about them.

It is indeed true that Mr. Pugo admits that in carrying out these operations, some transgressions have been permitted which have manifested themselves in insulting the workers of republican services and in destruction of property. I am quoting word for word.

And there is also information which we did not know until now, that the Latvian SSR procuracy has, in connection with these facts, instituted criminal proceedings for exceeding authority.

To this document one more document has been added. This, too, has been distributed to the deputies of the USSR Supreme Soviet at the session. This is a telegram to the ministers of internal affairs of the union republics. In this telegram, dispatched under the signature of Minister of Internal Affairs Pugo, it is pointed out that, you see, in some republics, oblasts, and krays the illegal practice of forming customs posts has appeared. Militia workers are prohibited to participate in operations at such posts. This in fact is the essence of this telegram. [passage omitted]

[Reporter] Mr. Jundzis, could there be, on the basis of these telegrams, the idea that this, in fact, means that the USSR intends to disarm our internal militia units?

[Jundzis] Well, there could of course always be that idea, but, you see, quite frequently it also perhaps begins to appear to us that the militia has been created and is operating guided by political motives, but, after all, 95 and perhaps more percent of militia work is the blackest job in combat with the blackest crimes. [passage omitted] [end recording]

OMON Leader Assails Minister

LD0106094791 Vilnius Radio Vilnius International Service in Lithuanian 2100 GMT 31 May 91

[Text] Boleslovas Makutinovicius, chief of the Black Beret unit [OMON] which has been designated as illegal, speaking on occupied Vilnius Television last night, voiced his great dissatifcation with the ideas of Internal Affairs Minister Marijonas Misiukonis, which were published in the newspaper RESPUBLIKA yesterday and which we also acquainted you with yesterday.

With Lithuanian police joining in the protection of the Lithuanian borders, hopes are entertained of joining forces with the Belorussian militia, and this appears to have incurred the greatest dissatisfaction of the Black Beret leader. He claimed that the enterprise transport and members of the population are prevented from free travel throughout the Soviet Union. On the other hand, he stated, not one argument and not one border post is worth a human life. [words indistinct] Boloslovas Makutinovicius, characterized the most cruel border post attacks as customs post liquidation.

OMON Activities Viewed

LD0106013291 Moscow Russian Television Network in Russian 2000 GMT 31 May 91

[From the "Vesti" newscast]

[Text] The press center of the USSR MVD [Ministry of Internal Affairs] today disseminated information on the investigation by the Procuracy of the latest OMON [Special Purpose Militia Detachment] sorties in the Baltics. The MVD press center insists upon the version that OMON acted without the knowledge of the Moscow authorities.

[Correspondent Sergey Dorenko] The OMON has been in existence for two and a half years now. That word sounds threatening after the January events in the Baltics. OMON men are called janizaries [yanychar—14th century footman] of the CPSU and their heroic feats periodically jangle the nerves of the whole country. Meanwhile, the Baltic OMON are more nervous than everybody else. Living is difficult when you know that the people do not love you and are afraid of you. Moral justification is needed and its exists. The OMON in Latvia and Lithuania are protecting the 1977 USSR Constitution and the republican soviets elected under Soviet laws are considered to be anti-Soviet. Ideologically, the OMON is nourished by CPSU filials. But who gives it commands? Officially, the Latvian and Lithuanian OMON are subordinate to USSR Minister Pugo. But Moscow disowns OMON. Doesn't that mean that armed people, disillusioned with us who are stupid and unarmed, will now arbitrarily use the argument of the submachine gun? Specialists do not believe that discipline in the MVD is so bad.

[Begin Russian MVD official recording] I think that the USSR MVD system is manageable [upravlyayemyy] and the minister is in complete control [kontrolirovat] of the interior affairs situation of the union. [end recording]

[Dorenko] If this is so, then there is a mighty resource in the hands of the authorities who collate the law with party conscience. Why not use it in Russia, for instance, according to the Baltic scenario? The optimistic professional from the MVD of Russia is sure that our OMON men are subordinate not to parties but only to the law.

[Begin Russian MVD official recording] The Russian Soviet Federative Socialist Republic MVD is in control [kontrolirovat] of the situation and is mastering [vladet] that situation, and we guarantee that weapons cannot be used arbitrarily in Russia. [end recording]

[Dorenko] There are also the interior troops of the USSR MVD who are controlled or not controlled by Minister Pugo. Russia insists that they are made operationally subordinate to the RSFSR MVD. That will safeguard us from unpleasant accidents. Sergey Dorenko, Russian Television.

Commentary on OMON 'Actions'

LD0106062491 Moscow Radio Moscow World Service in English 1210 GMT 31 May 91

[Vitaliy Gurov commentary]

[Text] A week has passed since the night when units of the special purpose police [OMON] destroyed customs checkpoints installed in a number of areas of Latvia and Lithuania on unilateral decisions of the two republics' governments. There was a mixed reaction in the Baltic republics and in Moscow to the actions of the special purpose police. Were these actions legal? Details from our commenator Vitaliy Gurov, and this is what he writes:

There are obviously situations where a moral estimate is far from adequate to the legal evaluation. I would say that the night time incidents on the Latvian and Lithuanian border are exactly such situations. Indeed just over a year ago the Soviet national parliament, where by the way MP's [members of parliament] from Latvia were active then, passed a law on delineation of the powers between the central authorities and the Union republics.

One clause in the law says that it is the central authorities who establish the principles of organizing customs and fixing customs duties on the basis of unity on the nation's customs territory. More than that, last October another law was passed providing for criminal responsibility for setting up checkpoints to block transport lines since that can upset the work of the transport. [as heard]

In its turn, the Latvian Government established licences for bringing in and taking out more than 60 types of various goods and banned the taking out of 47 types of goods and products. Naturally, from the Latvian point of view, customs posts are necessary to have such an order.

I could end with outlining the strictly legal basis for what has happened. Morals and politics enter in. The Latvian parliament has passed a note to the Soviet national parliament and president accusing the special purpose police of criminal activity. At a meeting of the leaders of the three Baltic republics in the Lithanian capital of Vilnius the actions of the special purpose police have been described as a display of the Stalinist imperial policy of the centre towards the republics.

However I'd like to add that there are many accusations, both in the note of the Latvian parliament and in the statement of the leaders of the Baltic republics that are not backed by investigation. It is said, for one, that some people were killed in the actions by the special purpose police and that customs houses were burned to the ground. Unquestionably such statements should be absolutely accurate legally and should contain conclusions which have no alternatives.

In the meantime the USSR procurator general, Nikolay Trubin, has ordered an investigation into the actions of the special purpose police in the Baltic republics in the view of the elimination of the customs checkpoints. He underlined that the police apparently acted on its own initiative. In his turn the Soviet interior minister, Boris Pugo, has rejected the claim that the order for such actions by the special purpose police was issued from Moscow.

Now back to the moral estimate of what has happened. Doubtlessly the bloodshed, the casualties, cannot be justified by any political goals and so it is essential to act carefully and in a well thought out way particularly in those regions of the country where the situation is tense to the limit. Any spark there is enough to set off a renewed conflagration of inter-ethnic conflict and to worsen the differences between republics and the center.

Lithuania to Form, Train Reserve Police Force

LD0106112391 Vilnius Radio Vilnius Network in Lithuanian 1900 GMT 31 May 91

[Text] According to a Lithuanian Republic Government decree dated 31 May, the Internal Affairs Ministry has been directed to insure that a police reserve, that does not fall below the number indicated in the enclosed list, is formed without delay, under the territorial police commissariats. The ministry has also been directed to organize special training of the police reserves, using an accelerated program, employing all available training bases for that purpose; and to report weekly to the government of the Lithuanian Republic, on compliance with this decree.

Legality of Police Stressed

LD0106114191 Vilnius Radio Vilnius Network in Lithuanian 1900 GMT 31 May 91

[Text] The establishment of police organs in Lithuania is legal and service in their (?ranks) is legal, states a letter addressed to Kravchenka, general director of the union television and radio company, by Paulaskas, procurator general of the Lithuanian Republic.

This is in reply to a statement by the Procuracy of the Lithuanian Soviet Socialist Republic [SSR] on the Vremya program, to the effect that establishment of a state police on Lithuanian Republic territory and the actions of the Lithuanian Ministry of Internal Affairs [words indistinct] in having Soviet militia staff members take an oath in connection with serving in the police, are illegal, juridically speaking, and must not be carried out.

The police organs are established in Lithuania, according to a law adopted by the republic Supreme Council, whose legal authority is no longer disputed by anyone. Not having any definite arguments to back up its statement, the so-called Lithuanian SSR Procuracy is accentuating the name "police" to produce a supposedly moral and psychological effect upon the consciousness of the population.

The organs of the Lithuanian police have in no way compromised themselves in the eyes of their people. They are always acting on the basis of lawfulness and according to the interests of its people. The same tasks are also currently assigned to the police organs, the letter states.

RSFSR

Candidates Yeltsin, Bakatin Meet With Electorate

LD0106125191 Moscow Central Television First Program Network in Russian 1200 GMT 1 Jun 91

[From the "Television News Service" program]

[Text] In Moscow Boris Yeltsin has met with the democratic community. The Russian presidential candidate announced that his course is a way out of the total crisis through radical economic reforms, including privatization and land reform, Russian control over money issues, the removal of party influence in state services and institutes, and a 1.5-fold increase in the level of minimum wages.

Another candidate, Vadim Bakatin, is in the Chernobyl area. At a meeting with the public he stressed that a vital difference between his program and that of Yeltsin is that his does not tolerate command-adminstration methods. The priority of the program is the development of agriculture and education.

Yeltsin Gives Speech in Moscow

LD0106132391 Moscow Radio Rossii Network in Russian 1110 GMT 1 June 91

[Speech by Boris Nikolayevich Yeltsin at a meeting organized by Democratic Russia at the October Theater in Moscow on 1 June—recorded]

[Text] Esteemed friends and those of like mind, I thank you for my reception, for the organization and the nomination of those collectives you represent and thanks to the various democratic movements. As promised, I intend to lay out the main tenets of our political course at this meeting. I also consider it necessary to express my viewpoint in principle on the issue of the Russian presidency.

I am convinced that the formulation of an effective political course and effective political government in our republic should be everyone's concern. Therefore I would like to invite you to take part in the discussion. My position is that the political course of one or another leader should steadfastly follow a strategic direction without diverging to the right or the left as some now do. Some waver, or see that they are moving into a dead end, and tragically they start to move to the center, considering that the course in a strategic direction should be precise and stable and, at the same time, tactically flexible because the situation changes. So the need is to proceed in the most effective way possible, taking into account the actual situation and the clear, precise goals that have been laid out.

An approach of this nature will be fully preserved if I am elected Russian president. In fact, the program we are putting forward is already being implemented. It has been implemented for a year since the adoption of the declaration of the state sovereignty of the Russian Federation by the First Congress of People's Deputies. Despite the extremely difficult situation, we have succeeded in adhering to this course.

There was the second congress, and as you know, there was the third congress where the right-wing conservative forces wanted to change the leadership of the Supreme Soviet and the Russian Government, but the congress ended with additional powers being granted rather than the leadership being changed. [applause]

We survived January when all stood ready for the use of force, first and foremost against the legally elected bodies of authority, and the main thing.... [changes thought] There was a great temptation to see these plans realized. We survived March as well, when an attempt was made to do the same thing by other, more civilized means, as I said at the congress. Now that a little time has passed, attempts are being made to strike out these crucial events from the history of so-called perestroyka, before it has even been written. They are already starting to rewrite it to hide what I would describe as the evidence of the crime. It is our duty not to allow this to happen, not so that we can preserve feelings of vengeance in our hearts, but so that we can strengthen our attachment to the ideals of freedom, democracy, and human rights. The country and its citizens are not prepared to turn back, despite the fact that during the months of January, February, and March such a course was taken and the Union leadership counted on doing just this—halting things and turning back.

It is my deep conviction that if the 150 million people of Russia had adopted a neutral position or, as was said recently, had turned to the right, then we could not have stood out against this. Indeed, sovereign Russia and the free union of the sovereign states would have changed from a realistic and achievable aim into a dream. Enormous service for the perseverance with the course of reforms has been rendered by the democratic and workers' movements that were especially active since this April. They stopped this slide to the right, way back in April. They started to carry out political work with better organization and better consolidation and did not allow the country to eventually fall into an abyss. They have made the president understand, after all, that if he will not lean on the left shoulder he will be left with no chances at all. They made it possible for some sort of compromise to be achieved, and the statement of 23 April to appear. What is most important is that, eventually, the president has agreed with our democratic viewpoint.

A wave of meetings, unprecedented in its scale, has swept over Russia. Thousands of actions were carried out in support of the Russian parliament and its course toward the radical democratic changes, first of all in the economy. Many people have taken part in such meetings for the first time. This was not an anarchy riot or a free-for-all, as some media publications, especially the party ones, have attempted to present it. People who took part in them were not extremists or hooligans, but our citizens. They were just our citizens fighting for the freedom of the individual, for his rights, and for an improvement in his life. I would like to stress especially the purely peaceful and civilian nature of all of these actions.

During the period of the heaviest attacks from the right, the crisis of the democratic movement ended. It has become perfectly clear that with all those differences of opinion, many remain even today, we are united in our adherence to common human values and progress. It is precisely during this period that the patriotic nature of the democratic movement demonstrated itself most evidently. It has become perfectly clear that the patriotism lies not only in the words about love of the Russian past, not only in the empty admiration of the uniqueness of our national character, and not only in fencing ourselves off from the rest of humanity. Today the highest form of patriotism is to serve the cause of Russia's progress, to actively participate in the deep transformations of its life, giving the Russians a real right to be proud of their motherland.

The mass working class movement was a vital factor that determined the turning point in the whole situation within the country. A powerful detachment of the working class submitted political demands. The process of renewal thus obtained a powerful social basis of many millions, so that it could no longer be ignored. It was a substantial turning point. It is not just in Russia that changes are taking place; the situation is developing in the same direction in other republics. Even the Union center has begun to realize that and is beginning to shift from confrontation to cooperation, as reflected in the Novo-Ogarevo meetings.

In these conditions some major strategic turn in Russia's political course would be absurd and might lead to serious negative consequences. The result of the work of the Supreme Soviet and the Government of Russia over the year is not just that they were able to hold their ground and stand firm; the main thing is that great undertakings [zadely] have been created for the long term. A substantial legal base has been created for transformations and already for the implementation of specific measures. The Supreme Soviet has adopted 140 laws and decisions. In other words, in that respect a good base has been created in practice.

First, the most valuable result of our work was the creation of a fundamentally new legal foundation for all the main areas of life in Russia. It denies the notorious class approach that condemns society to lawlessness by constantly reproducing an atmosphere of violence.

Second, over the year Russia has significantly strengthened its devotion to reforms, above all, in the economy. Since we did not have sufficient opportunities to implement them in practice owing to the limited nature of our economic sovereignty, we were obliged to seek the most effective ways for economic transformations. That way they would operate even in the most unfavorable conditions and gain no small experience in that. The Union leadership's rejection of Shatalin's and Yavlinskiy's 500 days program was unable to block the creative potential of Russia's economists. Again, of course, there was a definite time limit, some two or three months, and today we have a program, submitted by the Russian Government, headed by Silayev, chairman of the Council of Ministers, a program for economic stabilization, transition to market relations, and the start of a real improvement in people's lives to cover two years, 1991 and 1992. Our principled reforming position considerably predetermined the Union leadership's incipient recovery from its deep-seated aversion to the market.

Third, a vital factor of today is the new vision of the Union that is becoming firmly rooted in the political consciousness—a union of sovereign states. That, and only that, is what it must be called. It is not an abstraction or a model, but a definition of a real process. People simply ignored it for a long time, and they tried to slow it down at any price, not even balking at the country's disintegration, and they had quite a bit of success in that.

Every republic and the people of every republic could have chosen not to respect the law on state sovereignty adopted by the republic's supreme authorities, so that on the actual day of 23 April—that is, practically 11 months later—only then were they able to say: Yes, we recognize the sovereignty of the sovereign republican states. For 11 months there was not only silence, but it was ignored, and there was even a certain mocking tone in the ignoring of it. At that time this was called a parade of sovereignties.

For a long time no one wanted to acknowledge it, but now common sense has come to the fore, and people are starting to acknowledge it as the only viable form of joint existence for the republics, although it is happening gradually, and of course, slowly. The constructive efforts to work out the best possible model for the Union has given a strong impulse to work on the federation treaty within our federation, which is reaching its final stage. I believe that the treaty will be ready in June.

Any attempt to retreat on these issues back to a unitary state will result in large losses both for Russia and for the Union. During this year many have been convinced of this.

The fourth thing is that we have started practical transformations in the life of the republic in the most complex conditions. The process of reviving once destroyed social groups has begun, for without them a civilized society would be unthinkable. I am speaking first and foremost about the peasantry, the class of entrepreneurs, and the intelligentsia who have been rehabilitated.

The Russian economy is becoming a mixed economy one step at a time. The government is receiving numerous requests from enterprises subordinate to the Union to come under Russian jursidiction. This has clearly manifested itself in the coal industry, the majority of whose enterprises have become Russian. Moreover, this process is taking place with the most active participation of the labor collectives themselves, of the blue and white collar workers who are waging a battle for their economic independence.

Now there has been my trip, my extensive but, first and foremost, business trip to Murmansk, Severomorsk, Petrozavodsk, Tula, Voronezh, and then on to Perm, Chelyabinsk, Orenburg, Kurgan, Sverdlovsk, and Samara, and then I needed to make it to Moscow by the 12th to vote for someone. [laughter and applause]

Incidentally, during these trips very many enterprises have immediately expressed their desire to pass into Russian jurisdiction. [applause] In addition to the coal industry, all the forestry and timber processing industry, the chemical and petrochemical industry, and virtually all the major metallurgical combines on Russian territory. [applause]

The fifth point is that there have been serious changes in the spiritual life of Russia during the year. The myths that oppressed millions over many decades have lost their illusory attraction. The dynamic process of removing ideology from the public awareness has been going on throughout this time. Sometimes this is called a moral disaster. I disagree categorically. Renunciation of the false signposts that have led the people into an impasse, ruined the lives of a multitude of people and destroyed the centuries old traditions of a great nation is not a disaster, but the first step toward moral rebirth. It is founded not upon the idealogy of a superclass to which all is permitted, but universal human values and norms of life.

It can be said as something entirely obvious that the past year has not been wasted for Russia but the practical results could have been much better. Today it is especially evident how little use is being made of the possibilities we have created for producing a healthier situation. The state structures which ought to ensure that they are realized in practice have been drastically weakened. There are visible signs of a lack of liaison among Russia's state institutions. They are acting in an uncoordinated and thus inefficient way and need to be reorganized. As yet no stable and effective cooperation has been established between the state structures of Russia and of the Union, and of Russia and of the other republics.

Today it is especially clear that to implement that process, as it were, in separate areas through the Supreme Soviet channels and through the channels of the economic bodies is necessary but not longer sufficient. We need a single coordination and systematic approach to this very complex matter. In Russia today, the vertical system of power, primarily executive power, is working extremely poorly. Not because it has been destroyed. In reality we have hitherto lacked normal executive power operating on a clear legal basis. All we have had is the hierarchy of the party apparatus substituting for it. Institutions of effective executive power are emerging terribly slowly, and this is having a negative effect both in the republic as a whole and in the localities.

Many decisions in the localities, especially where there are first secretaries in charge who are also for the moment chairmen of the soviets—the implementation of decisions and laws of the Supreme Soviet and of the Congress of People's Deputies of the Russian Federation—are being sabotaged. This is wrong. So, of course, certainly the only correct solution after the presidential election is to hold, as soon as a few months have elapsed, nationwide elections of chairmen of the soviets at all levels. [applause] Wherever I have spoken this is supported except by those who are now combining functions.

Recently the roundtable procedure has proved effective. It has enabled the deputies, members of the government, and strike committees to get the country out of the strike crisis. The reconciliation commission is also a kind of roundtable and has more than once extricated our congresses from situations of absolute deadlock. But the roundtable practice has not yet become permanent and has no substantial influence on the vital state decision making process.

All these considerations have gradually led us to conclude that Russia is face to face with the need to introduce a presidency, and it will become a most important condition for the strengthening of its statehood. This allows the effectiveness of state power to be essentially enhanced and our political course to lead to practical results. The main task today and for the near future is as follows: to stop the deepening total crisis, to achieve vital changes for the better in the present circumstances in Russia, based on radical reforms, and to lay practical foundations for the stable, dynamic development of the republic in the future.

The basic direction of the activities of the future president are:

First, the Russian Federation president must be the highest state guarantor for implementing the political course developed by the Congresses of Russian People's Deputies, parliament, and the Russian Government, and supported by the republic's citizens.

Second, the president must ensure stable and effective cooperation between the republic's legislative and executive authorities, while realizing the principle of the division of authority.

Third, the president ensures a common direction in the actions of the procuracy, arbitration, the militia, and all state institutions in Russia at all levels, and their real participation in implementing the course toward reforms and unyielding advancement in the life of Russian laws.

Fourth, the president ensures agreement on action by the bodies of executive authority at all levels and controls their strict adherence to the law and the principles of democracy.

Fifth, the president must ensure clear and constant cooperation between bodies of authority in Russia, the Union, and other republics, in defense of Russian interests at Union, inter-republic and international levels.

Sixth, the president is the main guarantor of civil concord. He is called on to use his authority to implement the principle of dialogue in the mutual interests of all political, social, and national forces in the state. It is necessary that the active participants in the republic's political processes—political parties and movements, public organizations and committees—become genuinely involved in state policy. The president gives personal assistance in resolving public conflicts that destabilize life in the republic.

Seventh, the president who is given the trust of the republic's citizens, must in all ways help attract energetic actions for the good of Russia and its intellectual and spiritual forces, science, culture, and specialists. It is important that the president's authority is used to unite Russian culture and to return Russia to the civilized world.

Eighth, the president uses his authority to defend the rights of freedom, culture, and sovereignty of Russian citizens, regardless of nationality and place of residence.

I consider that these are the most important factors for ensuring people's trust in the political course and the timescale for implementing it. If we are able to essentially strengthen Russia's statehood, the policies we are conducting will give much greater, weightier results in a shorter time.

I consider that there will be various tasks facing the Russian president, including those that will take years to solve. There are also those that have to be solved immediately. The idea of our policies is not only to strengthen Russia's state sovereignty and implement radical reforms in practice. This is not an end in itself. We have begun the most important work for the renewal of Russia for the sake of its citizens to improve their lives, and moreover, not in some distant future. When I am constantly asked during my trips—are you for socialism or capitalism—I say: I am in favor of Russians living better—materially, spiritually, and culturally. [appalause]

It does not make sense to attract to this more attributes as far as a name is concerned. A healthy society is determined by how people live, how they feel, how they work, and how they are provided for materially, culturally, and intellectually. As for a name, people will think one up.

All this speculation, especially via SOVETSKAYA ROSSIYA, to the effect that we Democrats are in favor of capitalism, all this you know is not worth a cent. It is simply not serious enough even to discuss things with them. Even the president agreed to name the country USSR, but this stands for Union of Sovereign Soviet Republics, without Socialist. [applause]

Imagine what a turnaround has taken place! [laughter] As recently as a month ago he was saying everywhere that he is only for socialism, only for socialism, we cannot do otherwise. Just as for over 70 years we have been marching to a bright future, that is how we will continue, and sometime we will arrive. [laughter]

Our country has not been lucky. Indeed, it was decided to carry out this Marxist experiment on us—fate pushed us in precisely this direction. Instead of some country in Africa, they began this experiment with us. [laughter and applause] In the end we proved that there is no place for this idea. It has simply pushed us off the path the world's civilized countries have taken. This is reflected today, when 40 percent of people are living below the poverty level and, moreover, in constant humiliation when they receive produce upon the presentation of ration cards. This is a constant humiliation, a reminder every hour that you are a slave in this country.

Here again in the provinces, even after the adoption of such laws on land reform, on the peasant farm, on the land code, in many places they are not giving land, and that is all there is to it. Thousands of people, already millions throughout Russia, are seeking land, are ready to cultivate it, and 23,000 farms have already been set up in the three months after the adoption of the laws. But the holdup is very long, especially on the part of the party structures.

The most important thing, of course, is to ensure if only the slightest positive shift in the people's life as soon as possible, and the fact that we are now undertaking such a program and have already gotten down to implementing it—before the end of next year the improvement in peoples' lives will start—this is a very serious statement, but we simply cannot go on. The people will not stand for it, will not stand for it. Today they are so tense, already exhausted by all these adversities; they will not stand for it and will take to the streets.

That is why, if a sense of trust exists for this period after the adoption a month ago of our program, then we can state the following: if, as it is stated today and expected today—and some of the Union leadership are making such statements—that we will need 10 to 15 years for reform, for everything, for some movement, that is simply utopia.

In 10 to 15 years these bureaucratic structures would, on the contrary, consolidate themselves and creep into the market economy, and they would break it apart. Our task is to destroy all of this ferro-concrete bureaucracy at the union level, without bringing it down to the Russian level at any cost either, giving enterprises their independence and freedom of action straight away, relations with Russia being only through taxes, through taxation, and through the social protection of citizens working in enterprises and organizations. These changes are of course possible only through reform. I am convinced that radicalism and decisiveness in pursuing them does not signify that anarchy and uncontrolled forces will run riot in society.

We are in favor of reforms that are pursued in the framework of the law and under strict state supervision. The state must implement a policy of widening the freedom of all economic subjects and ensure the defense of the new market-based model of economic management. How can you behave like this toward enterprises—first luring them into independence, and then by presidential decree taking away 40 percent of their foreign currency? That is exactly how the Khrushchev reforms ended. Precisely the same thing happened—enterprises were given promises, their work improved accordingly, they accumulated a certain amount, and then it was all taken and centralized. That was the end of the reform.

They again want to send us down this dead end. Given that I have already told the president that this is a gross mistake, I can also say in this hall today that this presidential decree was a gross mistake; it was an infringement of the freedom of enterprises and their independence. That is how I would put it. That is why, during our trip, we have been adopting decisions to leave the regions and enterprises with 75 percent of the foreign currency earned by them. The state should pursue a policy of extending the freedom of all economic subjects and ensure the protection of the new market-based model of economic management. The state should organize the process of acclimating the population to market conditions. No, we did not cope with the experiment over price increases. We started the economic reform by shifting all the difficulties onto the shoulders of the people. The 500 days program did not envisage that. That part of today's Pavlov cabinet which decided to begin the reform with such a rise in prices came out on top: They promised compensation, which in the event does not even cover one-third of the increase in prices.

For our part, we can merely do what we can to provide social protection for our Russian citizens. Decisions are being adopted to get rid of the 5 percent sales tax as far as possible. [applause] A decision is being adopted to increase minimum earnings—50 percent higher than the Unionwide level.

A decision is being adopted to increase the minimum pension to one and a half times greater than the unionwide level. [applause] A decision is being adopted to raise grants to students to 180 rubles and to 195 from 1 January 1992. [applause] A decision is being made to establish a 24 working days leave entitlement to all categories of workers, while today 40 percent of people here get only 15 days leave. A decision is being adopted—not a very radical one it is true, but nevertheless there is some movement; it was promised 30 years ago under an international agreement which the Soviet Union signed—to cut the working week by one hour. [applause] A number of other social reforms are planned, which of course are only now just beginning to be implemented.

You know that the Russian Government has elaborated the relevant program, and there is no need to set it out in detail, but I should like to dwell on some questions.

Measures to strengthen the finances: With the support of the Union republics, to establish control in the shortest possible time over the issue of money, which up until now Russia has not had. [applause] Two people get together and decide what sum should be issued and how much of this wooden paper money to put out. We have now said firmly that this can only be decided by the Federation Council, that is to say, all the heads of the republics gathered together. [applause]

Second: to defend the single channel system of taxes. The proposal is to preserve the twin channel system for the Union leadership, so that taxes should come from enterprises from both the Union and from Russia. We consider this to be wrong. We have adopted the relevant laws on the taxation system, and for this reason we are taking everything for Russia, concentrating it, as it were, and then will hand over this money to the Union budget by one single channel. [applause] This will be done after calculating the sum, because if we keep the old system we shall once again be paying over into the Union budget 70 billion [rubles] per year. For this year we have already adopted a law on the budget—before the Union budget in fact; we have determined by calculation that we shall pay over only 23.4 billion to the Union budget. [applause] That's to say, nearly 50 billion will stay with the people of the RSFSR.

Next, we have defended our pension fund. We never even thought that this money—insurance, contributions, and so on—was disappearing for pensions, was disappearing somewhere. We, in our counting, were short 9 billion [rubles], and when it was found that 9 billion was being taken away from us, we set up an RSFSR pension fund, and accordingly adopted a law. These 9 billion have stayed here, and we accordingly have had the chance to increase the level of pension payments, especially of the minimum one.

Third, when drawing up the Union budget, to aim for all its articles to be declassified for Russia. So far we haven't achieved this, although the president has several times made promises: yes, we'll declassify them, yes, we'll give it you.

I have just been to both the northern fleet, to the sailors and on a military cruiser, and I met the troops [word indistinct] in Tula. To put it simply, I had very thorough conversations in both places, and it shows us that it is necessary to change our policy regarding the military, putting the accent on the social provision and social protection of the troops and their families. Today they are not protected by society. [applause] If one leaves the Army as an officer with a family, he has neither an apartment; nor anywhere to work, nor a speciality, and there are no measures to protect him. So we have decided to adopt a Russian decision on the social protection of the military and their families in the territory of the Russian Federation.

We are insisting on establishing a just allocation of hard currency income between the republics. In such a case, Russia is prepared to take on the relevant proportion—calculated, of course—of servicing the foreign debt.

Fifth [as heard]—but here we firmly assert, and have adopted such a decision—that we completely reject financing and aid to other states. Completely. [applause] The fifth point is to implement a stage by stage transition from the direct redistribution of money between the republics to credit allocations on mutually advantageous conditions. That is my specific program.

The most important trend in economic reform is privatization. I want to stress that its task is not to take things away, not to make people who are already on the brink of poverty poorer, but to give every citizen of Russia the property they have earned. I was in Voronezh yesterday, at a farm (?in a village), Maslovskoye, a most interesting farm with an unusually talented manager. He has organized things in such a way that on the farm, with 1,400 people and 4 million profit every year, everything has been created for people in the village: a swimming pool, a huge sports complex, a sausage making shop, a shop for making cheese. A brewery is being built now for themselves.

The farm was built—and I think this needs to be discussed—so as not to form giant enterprises for processing agricultural produce. Because if these are built, it takes 7-10 years and we waste time. But little processing ones like this can be built fast, and they will accordingly have an effect. Even on such a farm, he said out loud that if anyone wants to leave and become an independent farmer he's free to do so, although the conditions there are such that the average salary—in a Voronezh works it is 280 rubles, a beggarly one—with him it is 400 rubles. But there were four people, four families, who said they wanted to set up their own farm. Fine, he did the right thing. He divided up all the land by the number of workers. It came to six hectacres: that's your share, and he gave each one six hectacres. Go ahead and work it. I'll help you with the hardware.

I think this is a good example. I want to say here once again that in creating independent farms, and probably there will be hundreds of thousands of them, at the same time of course you have to help the collective and state farms. As for the misunderstanding about the difference in prices—and rural areas finding themselves in a difficult situation—we and the government need to adopt a decision quickly, literally within days, on indexation, so as to compensate for this difference and not to leave the rural areas in this most difficult situation.

For the first time in many decades, people in our republic are being given back what they have created. Many decades. Here the interests and capabilities of all categories of the population will be taken into account—the rich, the poor, the young, the old, those who are ready to start their own business today, and those who know about the market from the paper SOVETSKAYA ROSSIYA.

We have adopted a mixed alternative; that's to say there are plans to hand over part of the property without payment. We consider the following to be the decisions and measures at the top of the list in this area: providing a system of most favored status to those enterprises, to their autonomy, which are passing to the jurisdiction of Russia to obtain economic autonomy; guaranteeing a system of most favored status to enterprises carrying out conversion. I spoke about the whole conversion program in Vononezh yesterday, since there are many defense enterprises there. Incidentally, we insist that these enterprises should also be under Russian jurisdiction, and some of them already have made such statements, and for some of them documents have already been drawn up.

As the first congress decided, we are giving to the Union three functions: these are the Ministry of Defense, the Ministry of Railways, and that of energy, including atomic energy.

It is true that at the first congress we also decided on the KGB, but since then we have moderated and have decided that the Russian KGB should be autonomous. We also thought of leaving the old Aeroflot, but decided that the Russian air companies being set up should be given any advantage now, and that we should go for that form. [applause]

Permission for economic bodies to make a free choice regarding their form of management and the disposal of the results of their labour is guaranteed. Incidentally, in my trip around these difficult areas, documents were signed so that 10 percent of their output would remain in these territories, and they would dispose of this output themselves.

In the very near future to start small scale privatization, of housing, retail and wholesale trade enterprises, the service sphere, and enterprises serving agriculture. In privatizing housing, to ensure priority attention to elderly citizens and other socially unprotected categories of the population.

A problem that will be constantly within eyesight of the president is the development of land reform. According to the results of its first stages, to adopt urgent measures for the speedy solution of all conflict situations in accordance with the laws of Russia. To take under strict state control the allocation of land to peasants. Of course we have tried, in accordance with our laws, to call to account the chairmen of soviets—let's say the Krasnodar chairman of the kray soviet, for undersupplying meat products to the northern regions, to Moscow, to the Urals, and so on.

The procurator's office has examined—will examine the issue—and it has considered that this is a clear nonfulfilment of a law of Russia, precisely in connection with the instructions issued by the chairman of the Krasnodar Kray Soviet, and it considers it possible and necessary to call him to account. [applause] In the first instance this means a 10,000 ruble fine that he himself has to pay—he himself, he himself. If this is repeated then the fine will be heavier—why do you say this is a small fine? But there is a catch here. Some of them are Union people's deputies and have immunity. That means one needs to have a decision made by the Union Supreme Soviet giving permission to call him to account. This is what I call reaching the left ear with one's right hand.

I think this practice will come to an end when chairmen are elected by direct elections. I think it unlikely that such people will be elected then. Nevertheless, the president will then have more rights in this respect to actually monitor a more rigid implementation of the laws, to ensure the transition to a collective shareholding form of ownership of collective and state farms by stages, to set up wholesale markets of foodstuffs in the towns and rayons without delay, to start working out a detailed (?code of acts) on land in Russia and the organization of a land market, and to begin negotiations with the Union leadership on issues of Russian participation regarding the import of foodstuffs and fodder. By the way, we should energetically develop links with the countries of Eastern Europe now—once again, so to speak. My first official visit abroad took place after I had worked for 11 months as chairman [of the RSFSR Supreme Soviet]. I think that this was the right thing to do—I had to tackle internal issues in the first place. This trip showed that the countries of Eastern Europe, after the revolutions had taken place in the countries—in one case it was a velvet and in another a not so velvet one, as in Romania—the Union has stopped cooperating with them. But a mutual market had been established during decades between us and them. Suddenly, all or almost all these things abruptly came to an end.

In the first instance, the signing of at least a declaration was needed. We agreed with President Havel and Federal Assembly Chairman Dubcek that the next step will be the conclusion of agreements, and at the same time, the signing of a specific economic agreement on the supply of a million tonnes of grain, 70,000 tonnes of cooking oil, 50,000 tonnes of meat, and 50,000 tonnes of butter, and that this is to be supplied immediately, immediately.

Guarantees for the social security of citizens is of particular importance in conditions of the transition to the market. We intend to implement a transfer of the main accent of our social policy from enforced charity regarding all, to stimulating productive, efficient labor, initiative, and enterprise. On this basis the social support of the unprotected strata of the population will be implemented. The first measures in this area are these: to calculate a real minimum subsistence and register it in law, according to the consumer basket; to introduce indexation of the incomes of citizens receiving fixed payments and on fixed salary scales; to lift all administrative limitations on salaries and the still existing Abalkin law [applause]—it has already caused a lot of damage and is causing damage now. They considered that there would not then be an increase in the volume of production, but it is precisely because of the introduction of that law that the volume of production did not rise. After all, who is going to be interested in working for 280 rubles? Who? I asked the director, let's say of Rudgormash, also in Voronezh: Why is the pay so low? Because that's the law, of this correlation, it is in force, now. That's it. I can't do anything more. We had to make a decision there, on the spot, and we have made a decision that frees them from these limitations: let the collective decide for itself what level of pay to set. [applause]

This has been signed for the Karelian Republic and for all the associations of the non-chernozem zone, to which Voronezh Oblast also belongs.

The elaboration of a program for creating jobs, including socially unprotected categories of the population—pensioners, invalids, and students—cannot be postponed. The adoption of urgent measures to settle troops and members of their families, including those returning from abroad and released into the reserve. Exemption from taxation of money directed toward health care, housing construction, and the social development of rural areas. The adoption of a program of social medical insurance.

A priority area of activity by the president must be the adoption of measures to ensure ecological security. The situation in this area is so complex that it is impossible to normalize it completely in a short time. We see our most urgent aim as putting a brake on negative processes, stopping them, and starting a gradual improvement of the situation. Actually, behind our back, talk is starting again of renewing the testing of nuclear weapons at the Semipalatinsk site. This has a direct effect on people living in the European territory of Russia. So we are categorically against such talks taking place behind our back in the first place, only with another republic, and we are categorically against the testing of nuclear weapons there at all. [applause]

Our northern territory is so vulnerable that nuclear weapons testing in Novaya Zemlya actually brings about irreparable ecological damage. Completely irreparable. Therefore, we are against any testing of nuclear weapons in Novaya Zemlya. [applause] Once again, we call upon the American side to start talks on the complete elimination of nuclear weapons in these countries. [applause] Particular attention is going to be given to ecological disaster zones, and first of all to Chernobyl. We intend in the nearest future to significantly adjust the ecological standards. We think it necessary to use natural resources in an open way. Sanctions against contaminating the environment will be based on the principle of compensating for the damage caused. We intend, by all means, to promote the development of ecological entrepreneurship.

The issue of state administration: I think it necessary that in the nearest future the president should implement a redestribution of power inside the top echelon of executive authorities. In so doing, issues of exceptional national significance must be singled out which are to remain under the direct control of the president and vice president. It is necessary to immediately begin the process of removing party influence from state services and institutions. [applause] I said when I was at the Northern Fleet on the cruier Kirov—it is a powerful battleship which goes out to sea for a year; I met with the crew. There were—how many could pack into their crew quarters—250 people or so. I spoke on this subject. How do you actually see party work here, on your cruiser? Say there are going to be 15 parties, and you will have 15 party committees or bureaus, 15 meetings—a meeting in the stern, another in the bow, yet another in the crew quarters, and so on. You will be all at daggers drawn, won't you? It will simply be not a crew, but—I do not know—a collection of cells. Okay, you are welcome to organize work at your place of residence, outside your job, and in your own free time. Yes, you are welcome.

I find it necessary that the president should put forward, to the Supreme Soviet, an initiative to adopt a law on civil service. Jointly with the republics and the Union leadership, to implement a scheme of outlining the powers, the spheres of administration, and property. Actually this process is currently under way. A joint commission has been set up—Doguzhiyev is representing the Union, and Skokov is representing our side.

To develop and start the implementation of a common Russian program without delay to strengthen public order, to protect citizens' safety, and to combat crime. We are in favor of the military—those who are drafted on the territory of the Russian Federation—not being able to participate in actions against the civilian population. [applause]

Yes, we must strengthen the interal affairs bodies. We must equip them properly. To do this, of course, we must allocate the necessary funds. It is the internal affairs bodies which should deal with precisely this.

A problem which is alarming the whole society is the spread of protectionism and corruption. In the course of strengthening Russia's statehood, special measures will be needed to combat them.

Culture and morality should be at the center of the president's attention. Our principle is a complete rejection of diktat over the creative process, in whatever sphere of activity it may occur. A complete rejection! [applause]

The process of liberating culture from the vice of ideology is already under way, and we intend to promote it. Among the priorities of the president's activity in the spiritual sphere should be the establishment of a complete list of our national cultural heritage and its safeguarding by the state, and no restriction to the existing incomplete inventory of sites. The development of principles for assessing and insuring monuments and natural sites, which determine their real worth, and which will make it possible to provide economic protection.

We are in favor of sitting down at the negotiating table with the leadership of the church in order to discuss returning church property, which at one time was confiscated from them. Today, there will be a meeting with Aleksey II, patriarch of Moscow and all the Russias, on this subject.

Setting up a national cultural heritage fund responsible for the financing and organization of measures for its preservation, restoration, and real use. A switch from the protection of individual momuments to the creation of a system of protected areas where nature, architecture, and man constitute a single entity.

The creation of firm guarantees of freedom of conscience and a man's rights to his individuality.

We believe it to be our duty to return all shrines to those to whom they belong by right. I am certain that the proportion of material and financial resources to be spent on culture, science, and education must be increased gradually and centrally.

In Tula I had a meeting with all rectors of higher educational establishments in the RSFSR. There were representatives from 505 of the 515 colleges. There were also heads of local soviets there. We determined a number of measures geared toward the reform of higher education establishments. A special law is to be adopted on popular education and college education.

The president must ensure the constitutional right of citizens to accurate information—I stress, accurate, [applause] genuine, and independent information; the true independence of the mass media. Effective measures must be taken against a monopoly on information. The Voronezh Oblast Soviet, for instance, still cannot have its newspaper published, whereas oblast party committees and oblast soviets can issue their papers. The Voronezh Soviet complains that they keep visiting one printing house after another, but none of them want to provide them with any facilities whatever. [passage indistinct]

Some who are more courageous can (?make their own decision). But especially there, in Siberia, the information we put out still has very much influence.

Finally, foreign policy is becoming an ever more important sphere in Russian politics. I believe that the president must promote by all means possible the return of Russia to Europe. It has been part of it for many hundreds of years. [applause]

We intend to promote a speedy opening of representative offices of Russia in the republics with which we have concluded treaties. In order to carry out bilateral treaties between Russia and the republics, human rights commissions and standing inter-republican commissions will be set up to observe economic articles of the treaties.

The president must use his powers and possibilities to promote an independent foreign policy of Russia in the interests of its citizens, a foreign policy which would not of course be divorced from, but would somehow be coordinated with, the Union's policy.

In principle we have agreed that while the Union concludes strategic treaties with countries which would map out major principles, Russia and the republics will focus on agreements in specific spheres. In other words, we are the ones who will conclude direct agreements with countries in the economic, trade, scientific-technical, social, cultural, and intellectual spheres. We will insist on this point in the treaty on the Union of Sovereign Republics.

I have dwelled here on just a few points which, being the object of heightened attention, must also be the object of the heightened attention of the president and his cabinet, especially in the first period of his activities. It is clear that such large-scale tasks are not within the capability of even the most professional and strongest presidential team. The most important factors in their implementation are, we believe, the people's support for and trust in their leaders, the active participation of the RSFSR's citizens, and the active involvement of democratic movements.

I am convinced that a mass democratic popular movement can render incomparable assistance toward improving life in Russia. I have complete faith that Russia will definitely come alive again. The guarantees of this are the multi-ethnic talented people, the enormous natural resources, a wealth of historical experience, and the boundless intellectual potential of the RSFSR's citizens. Thank you. [applause]

Bakatin Discusses Campaign Platform

PM0306101191 Moscow KOMSOMOLSKAYA PRAVDA in Russian 31 May 91 p 1

[Interview with Security Council Member V.V. Bakatin by V. Mamontov; place, date not given: "Vadim Bakatin: If Someone in Our Country Stuck His Neck Out, He Would, at Best, Fly to Paris"]

[Text] [Mamontov] Vadim Viktorovich, you are a member of the Security Council and have decided to campaign for the presidential post in Russia. Does this mean that you see a safe way out of the crisis?

[Bakatin] I believe that a return to a commonsense policy is this way out. Many of our troubles stem from an inability to be aware of the dialectic of the transitional period in which we find ourselves. Some people want to change nothing, others want to change everything as quickly as possible.... I believe that countries on our scale have no need of abrupt movements. They are needed when it is necessary to break things, as Gorbachev did (later, it is true, vacillation and to-ing and fro-ing began). Then Yeltsin took the baton, smashing the positions of "yesterday's" men. But it is time to think also about creation, delicately combining the old and the new, so as not to fall to pieces.

[Mamontov] Do you believe that we have not yet fallen to pieces?

[Bakatin] We almost have—particularly in the economy. Here we have a rare mixture of haste and tardiness. It was necessary to create the conditions for a regulated—no, no, not a market—transition to the market. But we wasted time. Given the masses of problems we have, we have also acquired "deputy lobbyism." Maybe this is putting it a bit strongly, but today representatives of the regions, political movements, and social groups are pulling a short blanket over themselves! A lot of time has been spent arguing: We are betraying ideals, not betraying them... This is of absolutely no interest to anyone... It is necessary to do what is useful, even if this offends the sacred cows of ideology.

And again: We must rid ourselves of the old disease of disrespect for dissidence. How did things use to be in our country? If someone stuck his neck out, he would fly—at best, to Paris. Dissidence is a blessing, a necessary condition of development. Everything must be done without losing your head.

[Mamontov] Do you agree that your position is that of a centrist?

[Bakatin] Yes, unless you regard the center as something frozen. Conservatism is good in happy times—not in ours. I understand the center as movement. My centrism is with movement to the left. Radical centrism.

[Mamontov] Everything is so nontraditional in our country regarding "left" and "right...."

[Bakatin] I, too, do not know where the absolute right and left are, depending on which way you are looking and where you are going: toward capitalism or toward socialism, to put it in the old terms. In general, I believe it is time to abandon these labels. We are all moving toward the unity of the world. I do not believe that the world's future is a split. There will be differences, there will be different races, special features.... But nature is unified. However, let us get closer to the subject.

[Mamontov] You spoke of a moving center. Does the person himself also move with it?

[Bakatin] Are you alluding to me? Yes, of course. Take me the way I used to be. An antimarketeer. An advocate of tough methods. A party worker engaged in building. My metamorphoses are the changes in society, and I am not ashamed of this and do not count myself among the long-standing fighters. They existed—people such as Sakharov. And they suffered for their convictions, in jails and in exile. I do not aspire to be a preacher, a saint, or a teacher of absolutely everyone.

[Mamontov] Are you offended by views expressed in the press, like this: "Such-and-such a candidate is Yeltsin's only real rival?"

[Bakatin] "Such-and-such" meaning Ryzhkov?

[Mamontov] Let us suppose.

[Bakatin] No, they do not offend me. The times of political comfort are over for us, and if you have gotten involved in the struggle, you must also be prepared for defeat, for not everyone can win. At the same time, despite all my respect for Nikolay Ivanovich, I believe that it will spell misfortune for us all if he wins. For he will call a halt even to an orderly progression.

[Mamontov] To use your term, is Ryzhkov a centrist of the right?

[Bakatin] He simply adheres to old positions. The drama of the situation consists in the fact that in the past Gorbachev was unable to make Ryzhkov change his mind in time, and so the worst possible situation emerged—neither one thing nor the other, some half-measures, words, words, programs which fail.... I believe that the policy, the path to concord to which I adhere, has more supporters in the country.

[Mamontov] However, judging by your career, there are plenty of opponents, too. Voters continue to wonder why you left the post of minister of internal affairs.

[Bakatin] I thought I had said all there was to say about that... but people ask. I was removed because I placed the law above ideology and demanded respect for governments elected by the people—in the Baltic region, for example. Many people believe that I got ahead of events in the matter of depoliticizing and departyizing the organs. In my opinion, I was simply fulfilling constitutional demands. The militia must fight more against crime—and play less at politics. In general, we should pay more attention to what is our humdrum and everyday routine....

[Mamontov] In this connection, what is your opinion of the price reform? It is said of Pavlov that he is good if only because he is making his way to the other bank of a fast-flowing river, while presently the others are mere onlookers....

[Bakatin] Is he making for the other bank? This reform is in many respects dishonest, and all its consequences have been shifted onto collectives and enterprises—but they have different potentials. Pavlov will get a social explosion if he carries on acting like this. This policy is ineffective—for he has already begun increasing wages, and so he will find himself on the brink of hyperinflation... And again I see no way other than common sense: It is necessary to let prices go, but not all, leaving a guaranteed minimum. It is necessary to protect people from the consequences of rising prices—but not all people, for the majority will protect themselves if privatization is carried out in parallel. It is necessary to support private farming—but not allow the creation of small noncommodity subsistence farms. It is necessary to open the doors to foreign capital, and not just create "free-enterprise zones" which only fan interregional contradictions. We must not listen to those who intimidate people with nonsense about "selling Russia" but rely more on our own forces than on "foreign countries helping us." It is necessary to support enterprise, but not permit unlawful enrichment. And so forth, and so in everything: dialecticalness, deliberation, gradualness, concord.

[Mamontov] Do you believe that such a "peacemaking" position can bring success in the fierce political struggle being waged in our country?

[Bakatin] We will see how things turn out, but I have no other position.

Yeltsin on Fate of Communists, Rutskoy's Strengths

LD0106214391 Moscow Radio Rossii Network in Russian 1908 GMT 1 Jun 91

[Excerpts] As we have already reported, today a meeting between Boris Nikolayevich Yeltsin and the electorate took place in the October theater. [passage omitted]

Radio Rossii has today broadcast the speech. After the speech, Boris Nikolayevich Yeltsin answered questions.

[Begin recording] [Yeltsin, reading out the question] How to explain your choice concerning the vice president, Rutskoy?

You know, he has many positive qualities. Rutskoy knows the military. This is a weak point of mine. Rutskoy knows the work with war veterans very well, he knows the work with the disabled very well. He went through Afghanistan, which means that the Afghanistan war veterans will follow him. He will cover the sphere in which I am, indeed, still a bit weaker than he.

How long are our young soldiers going to stay at the hot spots of the Union? I mean all of them who are from Russia.

I think that after we have, in accordance with divided functions—the Union treaty will be signed—but before that we would like, together with Yazov, to sign a document on the activities of armed forces on the territory of the Russian Federation and in general; and on delineating the functions—what we have to do, what he has to do, and how to keep each other informed. I rang him and we agreed in principle to meet. However, I suppose that this should have already been implemented, if I am going to be elected after the 12th. But in principle we have agreed. I also told the president about this, so that he should give Yazov his instructions that such a document should be necessarily signed.

When I am being asked, often during my trips, and now again—tell us about your faults—I say that I smile too little, only to myself, inside myself. There is indeed such a fault. I must work on this. However, you know, admittedly, I have not been trained in Hollywood. I am indeed rather a hard man—so yes, I do have this fault.

[Unidentified man in audience] Esteemed Boris Nikolayevich, what is going to happen to us, rank and file Communists, after a decree removing party influence has been passed? You have taken Rutskoy from us, and he was our last hope.

[Yeltsin] First, the Communists are going to work like members of any other party. Only they will work in their own free time, and not at enterprises but at their place of residence. Second, the effect of Rutskoy—as I call this proposal of his concerning the establishment of a "communists for democracy" movement—I think that this is a way out. Well, first, even if Rutskoy is going to start work here, this movement will survive. Today, 70 territorial bodies have already declared their wish to transfer to this form. This form, for some Communists I think, is rather interesting. Why? Well, the majority of Communists do not want to bear responsibility on behalf of the whole party for what it has done over the period. They do not want to bear responsibility. On the other hand, something prevents them—it is discipline in the case of some, in others is is their position; others are a bit scared. This is I think a good way out for them—communists for democracy. I think that if we expand it properly, we could take half, at least 4 million, away from Polozkov. [end recording]

Yeltsin Opposes Creation of Russian Army

LD3105201291 Moscow Radio Rossii Network in Russian 1350 GMT 31 May 91

[Text] Boris Yeltsin, chairman of the Russian Soviet Federated Socialist Republic [RSFSR] Supreme Soviet, who is in Voronezh, has stated that the republic parliament is to adopt a document on social protection for servicemen on the territory of the RSFSR in the near future. Paratroop officers and warrant officers would benefit from the fruits of one of these measures in a very short space of time, the chairman of the Russian Supreme Soviet said. At the same time, he said he categorically opposes the creation of a Russian Army. The Russian leadership wants the armed forces to be inside the Union, Boris Yeltsin said.

On church-state relations, he said there should be equality between believers and nonbelievers, and that the church should be supported. The Russian leader put a high value on the church's role in moral education. He said the time has come to begin detailed talks on church property. Boris Yeltsin said that the RSFSR Supreme Soviet is establishing contacts with the patriarch of all Russia in order to deal with this problem.

Ryzhkov Election Platform Outlined 1 Jun

LD0106145491 Moscow Radio Rossii Network in Russian 1350 GMT 1 Jun 91

[Text] Nikolay Ryzhkov, former chairman of the Union council of ministers, presented his election platform today. Our correspondent Aleksandr Zelenkov has this report:

Nikolay Ryzhkov stated that in his opinion the Gorbachev-Yeltsin alliance will not last long. It will exist until 12 June and the Russian presidential elections.

Ryzhkov's platform is made up of four sections. The first three contain a list of the paramount problems confronting society, and the fourth section is devoted to measures to implement the platform. Ryzhkov proposes the creation of a government of national concord which will include representatives of the national territorial formations and the main socio-political forces of the republic.

May I remind you that General Gromov is aspiring for the vice presidency. He has experience in the war in Afghanistan and would be engaged in ensuring legality and constitutional order in Russia.

Ryzhkov intends to review the activities of all cooperatives and joint and small-sized enterprises and to create a new system of financial control with the broadcast powers.

Ryzhkov stated that he does not agree with Gorbachev's program on a number of fundamental issues, and if he is elected Russia's president he will defend his viewpoint.

Tomorrow Nikolay Ryzhkov intends to travel to Bashkiria, where he will be until 4 June.

Presents Economic Plan

LD0106172491 Moscow TASS International Service in Russian 1330 GMT 1 Jun 91

[By TASS correspondent Andrey Surzhnskiy]

[Text] Moscow, 1 Jun (TASS)—One of the candidates for the post of Russian president Nikolay Ryzhkov, former head of the Union government, has singled out four main points in his economic program. They are, first and foremost, "prevention of national catastrophe, a regulated transfer to market but not at the expense of working people, ensuring safety of the republican population, and the adoption of urgent measures for implementing the program." Nikolay Ryzhkov has acquainted Soviet and foreign journalists with the points of his program at a press conference which took place in Moscow today.

According to the candidate this program is specific and touches on the interests of various sectors of the population. He added at the same time that this is not "a rigid" document and will be subject to corrections as time goes by."

If Nikolay Ryzhkov is elected as Russian president he will chose as one of the urgent measures the "selection of a team" which would include qualified professionals, as he put it.

Answering a question on what the candidate would do if he fails at the elections, the former head of the Union government said that "in any case he does not intend to abandon political struggle."

Assessing the activities of the country's present Cabinet of Ministers, Nikolay Ryzhkov stressed that "the center's position practically coincides with the position of Yeltsin's government." However, Nikolay Ryzhkov expressed the view that "this alliance will last only until 12 June," the date of the election of the republican president.

The candidate recognized that he, Boris Yeltsin, and Vadim Bakatin have most chances to win at the elections. With regard to the last candidate Nikolay Ryzhkov expressed the view that "he is being nominated and suported by the presidential apparatus of the country."

Ryzhkov-Gorbachev Relations 'Extremely Cool'

LD3105234191 Moscow TASS International Service in Russian 1610 GMT 31 May 91

[Excerpt] Moscow, 31 May (TASS)—[passage omitted] Nikolay Ryzhkov, the third candidate for the post of president of the republic and former union prime minister, today met students of the Moscow Higher Technical University. In his speech, Nikolay Ryzhkov ascribed a special place to the revival of Russian culture and education. The candidate promised, if elected, to grant students all possible kinds of benefits, payments of compensation, to release youth organizations from all taxes, and to set up funds to help Russian students.

During a talk with students, problems of the most varied nature were touched upon. In particular, in reply to a question on his mutual relations with USSR President Mikhail Gorbachev, Nikolay Ryzhkov said that "they are at present extremely cool." This, he explained, is the result of "the president's inconsistency in carrying out reforms."

Zhirinovskiy Announces Platform 31 May

LD0106063491 Moscow TASS in English 0604 GMT 1 Jun 91

[Text] Moscow June 1 TASS—Candidate for Russian presidency Vladimir Zhirinovskiy on May 31 announced his election platform in a TV interview.

Zhirinovskiy, 45, the leader of the Russian Liberal-Democratic Party, is one of the six claimants to Russian presidency.

He said the nationalities question is the main plank of his platform. He said that "Russians are the most humiliated nation" and promised his voters "to protect all Russians, including those living in other republics".

He called for "abolishing the national and administrative division" in the country. He believes the creation of a union of sovereign republics will lead to "a continued civil war".

Zhirinovskiy said that if he is elected the Russian president, he will "turn the foreign policy 180 degrees" and "switch from east-west to north-south relations".

The country's foreign policy during Perestroika has "helped throw Russia from the pedestal of great empire and strike a blow on the Army's moral image", Zhirinovskiy said.

He also calls for lifting all restrictions from economic activities.

He called his decision to run for Soviet [as received] presidency "natural". "I believe that we should have one president—the Russian and Soviet president in one person".

Zhirinovskiy predicted a civil war and dictatorship in the country within six months if he is not elected.

Foresees 'Yeltsingate'

LD0106151591 Moscow Radio Rossii Network in Russian 1350 GMT 1 Jun 91

[Text] Russian Soviet Federated Socialist Republic presidential candidate Vladimir Zhirinovskiy has told a correspondent of the Russian News Agency that he is not being allowed into Leningrad. Ten days ago he sent a telegram to the leadership of the Leningrad City Soviet expressing the wish to deliver a program statement in Palace Square, but Sobchak closed off the city and would not admit him. I am not a tourist and I should be welcomed at the airport by Sobchak himself, Zhirinovskiy stated. However, Sobchak, he said, is playing into Yeltsin's hands as his agent. Yeltsin and I are the same. From 23 May to 11 June we have identical rights. If Boris Yeltsin becomes president, Zhirinovskiy said, Russia can expect a Yeltsingate and he will be resigning after six months. I am hoping for my own victory.

Presently, Vladimir Zhirinovskiy is in Tula.

Tuleyev on Presidential Election Platform

91UN1592A Moscow SELSKAYA ZHIZN in Russian 28 May 91 p 2

[Interview with RSFSR People's Deputy A.M. Tuleyev, chairman of the Kemerovo Oblast Soviet of People's Deputies, candidate for RSFSR president, by SELSKAYA ZHIZN correspondent Natalya Nikulina; place and date not given: "The Main Point is To Defend and Feed the People"]

[Text] **The preelection marathon of candidates for president of Russia has begun. We are introducing to the readers of SELSKAYA ZHIZN A.M. Tuleyev, yet another of six contenders for the highest state position in the RSFSR [Russian Soviet Federated Socialist Republic]. He is 47; he graduated from the Novosibirsk Institute of Railway Engineers. He rose from a railway engineer to the chief of a railroad on his own, as he put it himself, without "a guardian angel." Presently, RSFSR People's Deputy Tuleyev works as chairman of the Kemerovo Oblast Soviet of People's Deputies. He is a CPSU member.**

Our correspondent Natalya Nikulina talked to the candidate president.

[Nikulina] Aman-geldy Moldygazyevich, it is really difficult for me to pronounce your patronymic!

[Tuleyev] It is difficult for me, too. This is how it is officially entered in my passport. In general, the people call me Aman Gumirovich. It is simpler for all, and I have gotten used to this myself. My mother is a Tatar; my father is a Kazakh, and I was brought up in a purely Russian way. I know, many people are convinced that a Russian should definitely be president of Russia. So, if you are not Russian, are you to kiss it good-bye? Perhaps, a "multinational" president—a citizen of Russia [rossiyanin] is precisely who is needed for multinational Russia?

[Nikulina] Now you are being called the "rapidly growing leader of Russia." How did you manage to gain such authority?

[Tuleyev] It is hard for me to respond to this question. Besides, it is immodest. It is just that I have worked all my life; in all honesty, I did not think of authority ever, nor did I seek to be popular.

[Nikulina] Nonetheless, presidential candidate Tuleyev was placed on the ballot directly, without voting at the congress! You received 340,000 votes during the collection of official signatures. You have far outdistanced your rivals, V. Bakatin and A. Makashov, for the high position. Who nominated you as a candidate?

[Tuleyev] More than 60 enterprises and collectives of the Kuzbass, in particular, the administration of the Kemerovo Railroad and the employees of the Anzherskaya Mine. They know me well there. Actually, I did not plan to be president, and I had many doubts. However, it is serious—340,000 people who gave me their votes! This means tremendous responsibility.

[Nikulina] As do all contenders, you have your own election platform. What is its main point?

[Tuleyev] The main point is to defend and feed the people, give them an opportunity to live as they ought to, create economic conditions whereby they would be able to keep themselves fed and clothed. You know, I do not approach the platform the way it is usually done. It is not enough to proclaim and publicize your platform. You should imagine clearly and precisely how to accomplish everything you have promised to the people in the heat of the preelection struggle. I believe that primarily we should proceed precisely from their interests.

[Nikulina] So, what do all of us need?

[Tuleyev] Primarily, to lead dignified lives. How? The people should have an opportunity to earn money without restrictions of any kind; the people should be appreciated on the basis of their intelligence, and business and professional traits. Second, it is not enough to have an opportunity to make money. The people should have an opportunity to make purchases. Third, the people should be confident about their children and their families. They should not be concerned about whether they get home safe and sound at night or not, whether their heads are ripped off together with fur hats or not, whether their apartments are going to be burglarized today or tomorrow. Of course, all of us should have a comfortable, secure old age.

[Nikulina] If you win and become president of Russia, what will you begin your "reign" with?

[Tuleyev] With common human values. With people not being afraid for their lives, with operations data of the MVD [Ministry of Internal Affairs] no longer resembling summary reports from the front line. Everything else simply makes no sense otherwise. Undoubtedly, it is necessary to bring to an end anarchy in production and in the economy, and the permissiveness which now reigns in our society. I will do everything so that people will feel like people again.

[Nikulina] What do you consider to be most significant in the life of rural areas? To your mind, what prevents the countryside from getting on its feet?

[Tuleyev] Presently, the peasant issue is the most sensitive for our society. It should not be resolved by promises and assurances; instead, the rural areas should be supported by specific material means. These funds were promised by the Russian Government as long ago as last year. However, the peasants of the Kuzbass, for example, have yet to receive a single ruble of this money. We may talk for a long time and at length about the rural areas as a priority and adopt resolutions and laws. However, there will be progress.... There will be no progress until such a time as rural problems indeed take precedence. Meanwhile, this was not the case, and still is not the case.

[Nikulina] Aman Gumirovich, would you please outline, at least briefly, the "rural" segment of your platform.

[Tuleyev] In short, it is social protection of the peasantry and privatization of the processing industries. I am against the privatization of the basic sectors of the national economy; however, it is necessary to do so in the processing of agricultural products.

[Nikulina] Recently, the authority of sovkhoz [state farm] directors, kolkhoz [collective farm] chairmen, and rural specialists has precipitously declined, not without some "help" from the press. People just plain do not want to be heads of farms! Their salaries are low by modern standards, their responsibilities are tremendous, their accountability is great, and whoever so wishes picks on them, beginning with our colleague-journalists and continuing on to their fellow villagers. What can you say about this?

[Tuleyev] To be sure, there are mediocrities, and persons simply undeserving of respect among the large "corps of chairmen," but why sling mud at all indiscriminately?! My creed, and not just in my platform, is to honor in their lifetime those who work honestly, in a self-denying manner, providing grain, milk, and meat at the price of sweat and blood, on their own time.... At the very least, we should give their due to the families of those who are no longer with us.

I also believe that rural managers should engage only in their immediate peasant business: Provide agricultural products. They should be held accountable for this. Meanwhile, presently they engage in literally everything: They put in roads, build houses, lure medical personnel and teachers to rural areas, rustle up costumes for kolkhoz choirs and rubber boots for milkmaids.... So, all of this rural social, cultural, and service sphere should be transferred to the jurisdiction of rural soviets, and the managers of farms should be relieved of this burden.

[Nikulina] What will you say about the Kuzbass workers, and miners? Strikes swept the Kuzbass like an avalanche, and they reverberated in metallurgy and machine building.... The miners brought customer industries virtually to their knees. Explain your attitude toward the strikes.

[Tuleyev] This is a complex question, and answering it will be difficult. However, first I would like to talk about the workers' movement. I have nothing to hide: I support it. We owe everything to it. This has been proven historically; in our time as well, the workers' movement also awoke the country. As far as my native Kuzbass is concerned, all social processes here occur half a year sooner than in the country; this is how politicized our oblast is. So, I repeat: I am "in favor" of this movement. However, I am in favor of it being creative rather than destructive. Otherwise we will not overcome an impasse. You cannot improve the economic situation unless you work and manufacture products.

Now about strikes. I was categorically against them from the very beginning. We were able to avert two strikes, but not the third strike. We could not keep them back because the Russian leadership, including B.N. Yeltsin, did not want this. I stated this clearly and firmly from the rostrum as early as the Third Extraordinary Congress of RSFSR People's Deputies. The despair of people driven to the extreme, and their want, should not be exploited for political games. I am convinced that the strike could have been extinguished given the coordinated action of the oblast soviet and the Russian and Union centers.

[Nikulina] Aman Gumirovich, you have strong and formidable rivals for the post of president. What can you say about N.I. Ryzhkov and B.N. Yeltsin?

[Tuleyev] I will respond frankly. I know Nikolay Ivanovich well based on work. I happened to meet him repeatedly when Ryzhkov was still in charge of transportation. He is a very clever man. However, he wants to be nice to all, to Gorbachev, to managers, and to peasants.... It does not work this way. This is his woe and his tragedy. As far as Yeltsin is concerned, I believed him. I supported him up to a certain point. This point came very recently. I became disappointed in him after his latest trip to the Kuzbass.

[Nikulina] May I ask why? Vague rumors circulate concerning this trip; at the latest congress as well, there was no end to the talk of the Kuzbass incident....

[Tuleyev] I would prefer not to respond to this question. After all, Boris Nikolayevich Yeltsin is my rival in the preelection struggle.

Presidential Candidates' Prospects Viewed

91UN1569A Moscow RABOCHAYA TRIBUNA in Russian 23 May 91 p 1

[Valeriy Kachurin and Yuriy Makartsev report citing interview with USSR and RSFSR People's Deputy Nikolay Travkin, chairman of the Democratic Party of Russia, and statements by RSFSR People's Deputy Sergey Baburin and USSR People's Deputy Roy Medvedev; dates not given: "The Elections in Russia. RABOCHAYA TRIBUNA's Prognosis": "Pairs Skating"]

[Text] **Who Yeltsin Chose As His "Second"**

[RABOCHAYA TRIBUNA] Nikolay Ilich! Who in your opinion will reach the finish line first in the elections for president of Russia?

[Travkin] Yeltsin, of course. I expect him to get about 66 percent of the votes. Ryzhkov will "take" about 20 percent, and Bakatin, 10-12 percent.

[RABOCHAYA TRIBUNA] "Pairs" have been determined—president and vice president. Which of these pairs seems to you to be the most "harmonious" from the political and practical points of view?

[Travkin] Bakatin has the most "competent" pair.

[RABOCHAYA TRIBUNA] What if Grigoriy Yavlinskiy agreed to be Yeltsin's "second?"

[Travkin] The nomination of Rutskoy as vice president came as a response to the nomination of Gromov as "vice." Bear in mind here that the figure of General Makashov has appeared on the horizon. Can Yeltsin rule out the sentiment of that portion of society to which the army belongs, and to a certain degree—the MVD and KGB?! Finally, the "Afghanistan effect" has to date been playing a definite role in society. And so, I would say that, from the political point of view in conducting an election campaign, Rutskoy's candidacy was the proper choice.

In my view, Yeltsin's victory is preordained, and perhaps he should have selected a vice president out of considerations regarding whom he would have to work with. The "second" on the team should be an individual of broad mentality, competent in economic matters first and foremost, and at the same time a person capable of creating a mechanism of social accord. If we fail to achieve social accord, we will not move ahead. In this context, it seems to me, the most successful vice presidential figure for Yeltsin would be Burbulis. He has worked a great deal not only with strike committees, but also with the councils of labor collectives gravitating toward the United Workers Front. He is a systematic thinker. But, most likely, Yeltsin's choice in the context of the election campaign is more politically correct here. Because if the presidency itself does not work out for him, there is no need for a running mate.

Regarding Grigoriy Yavlinskiy, I would see him in the future in the position of president of the country. Not only is he a sound economist, but an outstanding politician as well. Look—he "bound" Gorbachev and Yeltsin by means of the 500 days program, and today it is no accident that he is promoting the country's interests with the members of the "Big Seven." Plus age. I think in the elections for president of the country, the DPR [Democratic Party of Russia] will have his candidacy "in mind." After all, we have no intention of engaging in dilettantism in the economy....

[RABOCHAYA TRIBUNA] Well, Nikolay Ilich, the "presidential passions" will end. Will the social tension between the center and Russia decline?

[Travkin] I think it will decline, and I relate this process to Yeltsin's personality. You would have to agree, after all, that his signing of the Nine plus One declaration was the move of an astute politician. Opportunistically he could remove himself from the signing of a joint document, could continue to win points by criticizing the center. But Yeltsin took courage....

[RABOCHAYA TRIBUNA] Isn't time growing short for elucidation on the merits of "presidential pairs?"

[Travkin] Well, we know all the people! I see the transition to a presidential system of power as a change in the entire structure of power. Of course it is time to pull out the "executive chain of command" from the soviets. Yesterday I attended a session of the Moscow City Soviet—what gibberish.... Can serious decisions possibly be made through such organs?! These organs should be small in number first of all. Deputies are obliged to feel a sense of responsibility to some political force—which in turn is responsible to society. But today deputies have some kind of "unattached essence"—no one is responsible for anything. This is not political activity, what we are doing today. Therefore we must change the entire structure of power, make executive organs dependent on the voters and not on the soviets. The soviets should determine their strategy primarily through their budgets....

[RABOCHAYA TRIBUNA] Will certain autonomies present you with a surprise during the presidential elections?

[Travkin] Look—why do we have a Constitution, or the laws?! Why all our discussions about a rule-of-law state?

[RABOCHAYA TRIBUNA] Nikolay Ilich—will you personally be voting for Yeltsin?

[Travkin] Yes. Our party has nominated him.

Ryzhkov Astonishes Everyone

[Baburin] Now that the presidential candidates have formed in pairs, there is no doubt but that V. Bakatin and R. Abdulatipov have a great chance of being elected. This alliance has taken shape quite successfully, in my opinion. I think the autonomous formations of Russia will support it. After all, it is no accident that people say: Tell me who your friend is—a likeminded thinker in this instance—and I will tell you who you are.

My personal prediction was also borne out when N. Ryzhkov and B. Gromov joined together. This, too, was a well-considered decision. Honestly, I never expected that Nikolay Ivanovich Ryzhkov would assert himself so authoritatively and convincingly. This is indeed a phenomenon of the election campaign. And somehow now you do not even think about him having had a heart attack. On the contrary, everybody remembers that Boris Nikolayevich Yeltsin—the main candidate—had a heart attack. Perhaps a heart attack is a sign of a successful candidacy?

Until now, when talk of the president has come up in passing, I personally have stated that my sympathies lie with Boris Vsevolodovich Gromov, but if he has given his consent to running for vice president, well.... In our family, for example, we have established a civil peace—my wife was categorically against Gromov, but in favor of Ryzhkov. And so we reached the desired consensus.

I can only regret that candidates so solid and whom I deeply respect personally are participating in an antidemocratic election campaign—because the adoption of a law on presidential elections oriented in principle on a single candidate and the rigid timeframe limitation in which the elections are taking place presuppose the de facto granting of "most favored" status to two forces—"Democratic Russia" and the CPSU. I do not believe this is justified, especially since the Communist Party is now fairly heterogeneous.

With respect to the "Russia" deputy group to which I belong, on the whole it has come out in opposition to antidemocratic procedure in electing Russia's president. Most of our sentiment basically goes to two preelection groups—Ryzhkov/Gromov and Bakatin/Abdulatipov. I have not brought myself to predict who will win the elections. Because the election campaign is under rigid time constraints, people have not been able to fully delve into "who is who." I think that postponing the elections to a later timeframe is an entirely realistic prospect if common sense returns to the hall of the congress.

No One Will Emerge From the First Round

[Medvedev] All the same, contrary to the opinion of many, I believe that B. Yeltsin has extremely good chances of becoming president—but so does N. Ryzhkov. My prediction is that no single candidate will emerge victorious from the first round—no one will obtain a majority of the votes. Yeltsin will be in the lead, I think—he will gather about 40 percent of the votes. Ryzhkov will get about 20-25 percent, Bakatin, 12-15 percent, and 10 percent will go to all the remaining candidates.

So a second round of elections will be scheduled. It is difficult to predict who will win because the odds are about even. Insofar as Bakatin and the other candidates present an alternative to Yeltsin, they can appeal to their electorate to vote for Ryzhkov. Moreover, the very fact that the first round does not end in victory for Yeltsin—he being accustomed to swift, definite victories with great advantage—might unsettle him.

Of course, a very great deal depends on who conducts the election campaign and how. But it will be short. The timeframe is entirely unrealistic and rigid, because it was designated by the previous congress before the laws on the president and on elections were adopted. It is unclear, therefore, whether elections can take place in this timeframe at all. Ballots still have to be printed up; moreover, the congress can nominate new candidates.... So the real election campaign will only be carried out from the end of May through 11 June. Just some two weeks in all. But these are the first elections in history, not only for Russia but for the entire country. It is unrealistic to rush things, work hurriedly this way, and force people to orchestrate some kind of horse race.

I believe the question of postponing the timeframe will come up at the congress. Of course, we can hardly postpone elections to the fall—we must sow, till, and gather the harvest, not be engaged in political struggle. Things have only slightly subsided in the country—we must reinforce this. But a postponement of the date of elections of the president of Russia to the end of June, for example, would be the best decision.

Prime Minister Calls on Japan for Development

OW3105032391 Moscow INTERFAX in English 1830 GMT 30 May 91

["Business Today"]

[Text] Ivan Silayev, the Russian prime minister, called on Japanese business to take a more active role in the Soviet Far East, emphasising that Tokyo's refusal to compromise on the territorial dispute concerning the Kuril Islands does not help the search for a mutually acceptable solution.

In an exclusive interview in Khabarovsk with IF's [INTERFAX's] Evgeniy Terekhov, the Soviet premier also said that the largest Soviet republic is soon to adopt a law which will open the Russian market for Western goods. Mr Silayev said that the Russian government was ready to reduce the duty on a number of import goods.

Mr Silayev arrived in Khabarovsk on Thursday to take part in a meeting of the coordinating council of the Far East Association of Local Authorities, which in particular is to consider the concept for economic development in the Far East.

Here we print the full text of the Russian premier's interview:

Question: How do you see the future development of economic ties between Russia and Japan?

Answer: One of the principles which forms the basis of all the foreign trade part of the program to establish the market in Russia is that all subjects of our economy will be able to develop independent ties with Western firms [Sentence as received]. As a result, local bodies, from the republics which make up Russia, to the district or even municipal authorities, as well, of course, as all enterprises, will get the opportunity to enter into independent business with Western firms.

As an example I could cite the Khabarovsk area. This is one of the largest areas in Russia. It is very rich in resources but at the same time is very much behind the times. We will increase the efforts of this region as a whole and of individual enterprises in particular in beginning cooperation with Japanese firms. And not only with Japanese firms but with the firms of any country in the South East Asian region.

Japanese business people can expect what we would call significant profits if they begin with our support to cooperate with Russian business people in establishing new mining areas, in the modernisation of existing production and in the building of oil, gas and timber processing plant.

For Japan the Far East is a very attractive area of Russia. But I can't well understand why today they are being so exceptionally careful. It is said that the Japanese always have been a careful nation. But this time they are risking losing an opportunity as both European and American firms are beginning to show an interest in this region.

All the same I do not doubt that in the end Russia and Japan will not only be neighbors but also mutually advantageous business partners. We are in favor of a more active participation in our economy on the side of all countries, in particular Japan in its capacity of the most economically developed and richest country in this region.

Question: Are you considering attracting foreign currency into the Russian economy by such means as concessions?

Answer: This question has yet to be considered in detail. But the word concession has already been uttered by a number of our economists.

I have to say that I am not an advocate of such a form of cooperation when our mining areas, maybe with unclear potential, for years have been practically sold to foreign companies who then deal with our resources as they see fit.

This was acceptable in the last century when we were unable to rely on our own strength. Today the situation is different.

Today we have sufficient production forces and we have well trained specialists. Therefore we need to move to creating enterprises with joint ownership. This does not mean joint enterprises where the main holder is the Soviet side, but enterprises with joint ownership of both moveables and real estate.

We could, let us say, create timber complexes in joint Russian- Japanese ownership. Such a form of cooperation would be different from the sale, even for a short time, of our territory and resources for uncontrolled and rampant profitmaking.

I would like to emphasise that I do not think foreign firms have bad intentions. I simply think it makes no sense, with the kind of potential that we have, to reject our own territory.

Question: Is the Russian government ready to give foreign capital the guarantee that its investments will not be confiscated on some well-meaning pretence?

Answer: One of these guarantees is, as I have just said, the fact that businesses will be able to invest money not only in production, which indeed could be swallowed up by taxes or taken by force (let me emphasise again that these are theoretical possibilities, not our intentions); they can also buy a share of property. That is significantly more reliable.

We are at the moment working out two laws which will also be a serious guarantee of our intentions. I am thinking of the law "On the Defense of Investments" and the law which is to open our internal market for Western goods, first of all consumer goods.

Up to now the import of goods by foreign firms was considered little short of intervention. In opening up our market, cancelling customs restrictions for a certain group of goods, we will in part solve those problems connected with the general deficit.

Question: Is it true that, in addition to political instability, the problem of the Kuril Islands is also having a negative effect on Russian-Japanese relations?

Answer: Japan is now taking a very strong stand. This is clear from the recent visit of the Soviet President.

It seems to me deliberate that they should have taken such an uncompromising and even to a certain degree nationalistic position. We have to find a solution which, if not advantageous to both sides, is at least mutually acceptable.

For example, we should agree on joint ownership of immovables and on the creation of a regime of free travel. We could make the islands into a free economic zone. Everyone would gain from this, and the Japanese side should understand that we cannot ignore the unanimous resolve of the people living on these islands not to become part of Japan. These people's opinion is the fundamental factor in resolving this question.

Considering that there are people of Japanese nationality living on these islands, perhaps we could talk of creating an autonomous area. In any case, we must not hurry.

Western Republics

New Moldovan Prime Minister Comments on Economy

Market Transition First Priority

LD0206081591 Moscow Central Television Second Program Network in Russian 0730 GMT 1 Jun 91

[Interview with Valeriu Todor Muravskiy, new prime minister of Moldova, by unidentified reporter on the steps outside a building in Kishinev; date not given—recorded]

[Excerpt] [passage omitted] [Reporter] What issues will you primarily be looking at in your policy as prime minister? Where will you be focusing particular attention?

[Muravskiy] The general line, if we are speaking in these terms, is expediting the transition to the market. I addressed a request to parliament today which says it is essential to expedite the adoption of a package of legislative acts that might enable the government to proceed further along the road of reforming the economy. That is in the first place.

Second, I understand perfectly well, or to some extent, that this is a complex and prolonged process. Unfortunately, the people cannot wait. Under these conditions the problem is that we have to renounce everything and force the people to renounce it, and then wait for the market economy to come along, which will bring us all the benefits we would like to have. Simultaneously with this process, there will be the expedited process of switching to the market, using all the resources and levers. I would say that some of the old mechanisms are still suitable. We must use these to maintain the situation, to control the situation, and to achieve some kind of relative balance in the market, so as not to compromise the very idea of economic reform and transition to the market in the minds of the population.

I am a champion of a tougher course—that of discipline and order. I am sure that without these it is impossible to implement our plans, however great, or our program and concepts, or whatever government we have. With regard to this I am in favor of concentrating and strengthening executive power. I think that to have a good government alone is not enough. It is necesary to bring into play the entire executive power right down to the grass roots. The executive power should be charged with adequate powers and opportunities so that it can function. I refer to the legislative side of the issue as well as the financial side, including decentralization of the budget and handing means over to localities. This should include technical and material provisions. Some functions must be handed over to rayons. At present we are thinking mostly about the material and technical provisions in the production sphere only. The entire social sphere has gone overboard, so to speak. The executive power must have opportunities.

[Reporter] How do you think Moldova should build their relations with the center, Moscow in particular, and other republics?

[Muravskiy] Of course, we are going through complex times. Most republics have adopted a declaration on sovereignty. You know what position we held last year, when the elaboration of the Union treaty had just begun. Then we supported it. I would even say that we were among the authors of the concept for a union of sovereign states. Unfortunately, at that stage, although a poll was carried out, the center completely failed to take our position seriously. Admittedly, as I can now see, this is the concept they are going back to.

Evidently this negative reaction by the center probably affected the fact that we have gone or are trying to move further in the direction of independence. But I believe this. No matter what form of existence we will assume—and the people must express their views on the subject—no matter what form, I believe we must maintain our economic links. We are so integrated with other republics that we cannot break these relations. I would even say that to do that would be criminal. On the other hand, we must seek ways of cooperation.

[Reporter] I would like to now place you in the position of a futurologist, since you are an economist. What awaits us in the next three, four, or five years, in your view?

[Muravskiy] What awaits us? I believe that in the next one or two years we cannot expect any sharp improvement in the state of affairs, in the economy. The main task is now to halt a slump and to promote the extrication of the country out of the crisis. The stalling of the crisis during this transitional period is only possible in conditions of a single financial credit system and only through joint efforts.

Favors Economic Link With Center

LD0106083591 Moscow All-Union Radio First Program Radio-1 Network in Russian 1600 GMT 30 May 91

[Interview with Moldovan Prime Minister Valeriy Fedorovich Muravskiy by correspndent Mikhay Sokirke; place and date not given—recorded]

[Text] [Sokirke] What is the program you have brought with you to the post of prime minister?

[Muravskiy] Well, as to programs, I think the people are waiting not for more programs to be adopted, but for realization. Last year, a program of transition to the market was proposed by the government and adopted by the republic's parliament. Now, the parliament has discussed an anti-crisis program. There are other proposals, legislative acts, and so forth.

[Sokirke] I would say, it is characteristic that the first meeting you took part in as prime minister discussed the issue of socio-economic development of the republic's south.

[Muravskiy] Yes, that's right. Including allocation of the appropriate funds, material and technological resources.

[Sokirke] The government is allocating nearly 700 million rubles for the development of the south in 1991-1992.

[Muravskiy] This is, of course, a large sum, and everything possible must be done to implement this. However, I should like to say the following here. Unfortunately, today—and last week I had a meeting with leaders of local soviets' executive committees from the southern region—well, those absurd ideas which are dictated by some kind of separatist sentiments of some political leaders are being cherished again. The idea of setting up a budget system and a bank system of their own is being cherished. Unfortunately, the government will have to, so to speak, refrain from financing certain initiatives.

[Sokirke] How do you see the further development of relations between the republics?

[Muravskiy] The majority of the republics have proclaimed their sovereignty. A number of the republics are following the path of independence. In spite of the fact that we were one of the first who, as far back as last year, proposed a formula of the union as a commonwealth of sovereign states, however, it was not accepted by the center last year. Unfortunately, not. Well, this encouraged some of the republics, or rather discouraged them away from the center, and they are trying further to follow a path of achieving independence. However, in spite of this, I am in favor of—taking into consideration the fact that we are integrated, and quite closely so—I am in favor of [changes thought] no matter what happens next—it is necessary to take all measures for—I would even say—the development of cooperation, economic, cultural and so on, for sustaining the economic links that have formed among us.

[Sokirke] Thank you very much and I wish you great success.

Varying Views on Muravskiy Cited

LD0106104191 Moscow TASS International Service in Russian 0925 GMT 31 Jun 91

[Text] Kishinev, 31 May (TASS)—TASS correspondent Valeriy Demidetskiy: The election of the financier Valeriy Muravskiy this week as the new Moldovan premier gives small but nevertheless real hope for taking the republic out of its social and economic crisis. This is agreed on even by representatives of opposing political forces in the republic—representatives of the Moldovan people's front which favors the republics secession from the USSR, and of the Dnestr area, which has a predominantly Russian-speaking population, which insists on preserving the country's unity.

"Our faction supports the new premier because he is a democrat and supports a course toward the republic's independence," a TASS correspondent was told by Mikhay Gimpu, a deputy of the republican parliament, and a member of the Popular Front's executive committee.

"The new premier's statement that he intends to busy himself with the economy and not politics can not but be welcomed," says Vladimir Rylyakov, one of the Dnestr leaders and deputy chairman of the Tiraspol City Soviet. "We support his efforts to accelerate privatization and improve discipline and order. These and other ideas, based not on political ambitions, but on common sense and economic calculation cannot but arouse our liking. But in order to carry out what is planned the present premier needs a new team. Practice has shown that members of the present cabinet of ministers are good only for speaking at rallies and not for serious work."

Nevertheless one cannot talk of unanimous support for the new premier in parliament. Representatives of the Gagauz people—Christian Turks who are concentrated in the south of the republic—have a particular opinion about him.

"Unfortunately in his program speech the premier did not give a precise answer to the problem of the Gagauz people, who have the same right to self-determination as the Moldovan people," Stepan Kuroglo, Moldovan Republic people's deputy, considers. In his opinion Valeriy Muravskiy has ignored the attempts of the Gagauz people to remain part of the USSR. Stepan

Kuroglo considers it "utopian" to attempt to resolve economic problems in the absence of interethnic concord.

"The election of the new premier was somewhat hurried and had to a certain degree the aim of cooling the passions connected to the removal of Mircha Druk," thinks Lyudmila Lashchenova, Moldovan people's deputy and first secretary of one of the rayon party committees in Kishinev. "As a specialist in finance, and simply as a man, Muravskiy has shown himself from a good angle, but are these qualities enough for such a high post? We have already burned our fingers once by electing the former premier on the basis of emotions."

Reportage on Kravchuk's Visit to Hungary

WA3105135091

For Hungarian reportage on the visit by Ukranian Supreme Soviet Chairman Leonid Kravchuk to Hungary, including reports on his talks with Hungarian President Arpad Goncz, Finance Minister Mihaly Kupa, and Prime Minister Jozsef Antall, see the Hungary section of the 31 May East Europe DAILY REPORT and subsequent issues.

Central Asia

Further Reportage on Gorbachev Visit to Alma-Ata

Other Version of Speech to Kazakh Officials

LD3105085891 Moscow Central Television First Program Network in Russian 1903 GMT 30 May 91

[Address by President M.S. Gorbachev at a meeting with Kazakh government and party officials and economic managers in Alma-Ata on 30 May—recorded]

[Text] For a long time I have been meaning to come here and see you. At long last I have managed to fulfill my promise. Throughout these three days, all the meetings, including this one, and including the speech by Comrade Nursultan Abishevich Nazarbeyev, to which I listened very carefully to draw one more comparison with my own approach to the most important problems. [sentence as heard] We have lately been talking a great deal, day after day. This is very important. Such are the times. They require great coordination of our actions, and understanding. The country has approached the brink of very major and sharp changes, a change in the system, in the economic and political forms of life, and in the forms of life of this multi-ethnic state. All these are very major changes, after all. In this respect, our conversations are very important to me.

Do you know what I have been feeling these days? I want to note the special satisfaction I feel, because people here do not just support and speak in favor of the policy of pererstroyka, they do not just support the search for the most efficient ways of reaching the goal of perestroyka in the framework of the socialist choice, but they also work much to this end. Work is being done in Kazakhstan. This above all is what distinguishes the working people and the Kazakh party organization as an inalienable living part of the Kazakh people. This is a very important distinctive feature I would like to note, and this is the point with which I would like to open my speech today because the times of debates, rallies, and demands are essentially over. Many things have become more clear. The time has now come to enter into this new life and to develop the new forms of life. As to those who demand that everything, every action, to be taken should first be mapped out for them point by point and step by step, and who demand that the consequences each step may entail should be provided for—these are concealed enemies of reform and concealed opponents of the policy of perestroyka. For no one, not even an academy, can provide such a plan. No such academy yet exists, and I am certain it will never exist.

It is for society to give an answer. Every society, having approached the stage of deep changes, begins to play its own tune while using the experience of other peoples. While borrowing the experience of others, and exchanging its own, every society always tries to tackle its problems in the light of its own real circumstances, which account for all that takes place there. What matters here are the traditions of this society and the level it has reached, not only in the economic, social, scientific, and technical spheres, but also in the cultural sphere, cultural in the sense of general culture and in the sense of political culture.

I have been impressed, favorably impressed, by the atmosphere in the republic. I even allowed myself such expressions. I met people who were talking about very serious things, but I do not want to repeat myself. There has been everything here. The Union, reforms, harmony, interethnic problems, and of course, local matters, which here make up the specifics, not only in the economic, but also the social, political, and ideological atmosphere. There was all that. I have to say, however, that I very much liked the conviction of the people. People had faith. The majority of them are geared to doing the job. I simply liked that very much. I greatly liked the high level of political involvement—healthy political involvement. Not just that someone will say something more elegantly or more sharply, especially if he offers some criticism of the state or party figures higher up, and so on. No. We have been waiting for that involvement for so long, for it to come. We have wanted to wake it, through political reform, through glasnost, through democracy, through economic freedom. Now I see that it has come to this land, and it is simply amazingly pleasant to hear the way people are arguing straighforwardly about major politics, and making judgements while retaining their dignity and respecting the dignity of others.

I must say plainly that conversion with the leaseholders in Kokchetav—and the conversation was continued later in Chimkent—it was a dialogue among equals; among equals. The strikingly high sense of responsibility of the people, their understanding of that. Take Andrey Yakovlevich, a team leader and leaseholder: While unequivocally expressing his opinion and that of his comrades in favor of leaseholds, he starts thinking that leaseholds have certain limitations, that it is necessary to move toward—and we have embarked, he says, on this path, in order to buy back these means of production, so that I may really feel still more that this is mine, ours, of this collective together. I must think, he says, both of the present and how to earn—but we must also think of how to renew these assets to progress further to new technology and achieve new results. In other words, the thinking that is being done is at the level of the state. The main thing is that when they had effected the first redemption of the means of production, they assembled in their leasehold brigade and discussed how they were going to do it. Was it to be the property of each? To a man they expressed the view that, no, it will belong to us in common, collectively. Here is our private interest—of the kollektiv—and this will be ours. Here, what immediately surfaces is arguments and thoughts about man and his loyalties.

A great deal needs to be pondered now that we have advanced on a broad front toward new forms of life. So this stance that people adopt—the workers and peasants—on matters of state impresses me very much. Well, are we to say that as a result of this trip I have toured a republic where there are no problems? No, of course not. There are problems at every turn, as there are everywhere. But I liked the fact that people's thoughts are directed how to resolve those problems of today, and especially of tomorrow, how to remove them. That is what is very important and what I wanted to remark on. You know, I liked very much the fact that the republic has embraced land reform in a big way. It is already producing results.

I like very much that you are stimulating individual house construction. True, so many problems have risen at once that the people are ready to take part and contribute their money, but the conditions for this have not yet been created, either in the republic or in the country as a whole. I feel that if we do not start individual house construction properly by creating a base—above all, building materials are needed—the people will take their own money and credit, and will even build for themselves. I saw a brick works [words indistinct]. In other words, there is a lot that they can do themselves. So that, I think, is a whole program that has to be thought about. And then—then the people will feel quite different. In the first place, it is the housing issue.

Second, this solves the problem of personnel as well as that of people's affection, especially in the countryside, toward the land on which they live. Then, in Chimkent—we visited that dacha town—and I saw that over two years around—how many? Twenty? [voice: "Twenty thousand"]—20,000 dachas have been built. People are creative on that land. They have already started to grow farm produce; everybody is busy, whole families. All this has been done in a very interesting way. A living initiative of the people. That is why I am paying tribute to the leaders of the republic, oblast leaders and economic leaders, for not only welcoming, but also stimulating that initiative of the people, and helping it. This is very important, because, you know, we have plenty of those who are fond of talking—We are lacking this, or that, and so on. So they are sitting there like... [pauses] doing nothing. As you know, nothing comes from just sitting on your hands.

A great deal of specific, direct questions, both political and economic, as well as social, have been put forward. This gives us, at the level of the country's leadership and at the level of the Federation Council, some food for thought. I think I have been given a strong impulse to think that Kazakhstan is united. People are close together, I mean, people of all nationalities. It was very pleasant for me—we were driving along a street and it was raining. I saw some people hiding under an umbrella, and, look, everybody is there, representatives of three or four nationalities at the same time. They feel well—together under one umbrella, everywhere. This is what Kazakhstan is all about.

Today, we toured a factory. The factory girls there—they are all friends, they all stick together. Then I think about politicians, and yet more specifically, about extremists of various kinds, who are attempting to exploit all the possibilities unlocked by glasnost, democracy, all the processes of revival which are taking place in all the spheres of life—to exploit them with totally different purposes, and to intrude, crudely, as if someone is driving a stick into an anthill, into this life which has been shaping itself over centuries, and which has finally united whole families of people... [pauses] This is a most terrible thing if we are to allow this. This is the central issue.

Here I can feel the mood, the reserve of internationalism—people are not afraid of this word. A reserve of friendship—people are not afraid of this word, either.

It has a real meaning here, it has not lost its real sense, its human sense. The situation in this country has of late undergone, literally before our eyes, notable changes which cannot be ignored especially by those responsible for policies and their implementation.

What I have in mind, comrades, is above all this: I think that the spring of 1991 brought along a very serious complication in the situation. In fact it brought us, the whole country, to the brink of social upheaval. And all of us came to sense this. We sensed it. I think that that realization by society has switched on powerful underlying mechanisms for self-preservation, for the preservation of the family, land, this country, and this state. This is what has enabled and prompted us to find a way out of this crisis situation. It seems to me that this spring is precisely the time when the first glimpses have emerged of a political concord among all main political forces and the understanding that further confrontation will not be supported by the absolute majority of Soviet people, and is unacceptable, though there are still certain forces and they are even trying to close ranks. You can see them and you know them. I do not even have to name them. They have even come out of hiding. They show their faces at sessions, meetings, on the radio and on television, in interviews, and at Central Committee plenums.

This in fact shows a certain confidence and impertinence. This is perhaps because the people are rejecting this. And while they still have the opportunity, while it has not slipped away from them, they still want to try and take it. Nevertheless, the absolute majority of Soviet people do not support confrontation.

Now, when political disagreements have begun to be resolved, the next thing, I should say, that it is very important to bear in mind in our life today and that worries people is the still continuing slump in the economy. The slump in the economy, comrades, has affected us—both the base sectors, light industry in particular—and even the services sphere. Our country has never before experienced such a slump in the economy. Of course, much of what is happening could have been envisaged and foreseen, if we had not made miscalculations in policy and practical work, and the negative tendencies that arose could have been overcome in good time. There is no getting away from that, as they say. All that happened—there were such errors, and we did not do everything, even though we saw that it was increasing. Yet we saw and sensed back in early autumn, when that contest got under way between the regions to prove who was right and who was guilty, when there were attempts by each one in isolation to emerge from the crisis situation, and those barriers appeared, and the apanage principalities [udelnyye knyazhestva], local barter: You give me motor vehicles and I will give you 10 tonnes of wheat, and so on.

We saw that, but did not do anything in time. That must be viewed positively, as they say. One must accept the sin on one's soul in front of both of you and those who are listening. But let us not build illusions or deceive the people.

Such turns, such reforms, and such profound transitions, with replacement of the forms of life, including economic life, affecting ownership, production relations and a person's position, have never occurred painlessly or easily anywhere in the whole of world experience. Never, and people must not be deceived. But, if these transformations are not made, if we stop and, worse still, if we try to turn back, that will be the greatest mistake, and the greatest miscalculation. Then we may roll backwards a long way altogether and we will find ourselves on the sidelines of the development of modern civilization.

Naturally the fall in production is hard to bear. It affects everything. It demoralizes people. I have to say that, if there is one thing that can ruin or wreck us and literally bring the masses out into the streets, this would be us allowing the situation to get out of hand. Although the miners are ringing alarm bells, despite the fact that we are arguing with them, meeting and persuading them, seeking to get at the truth, this does not, on the whole, change this understanding of the situation. We are also meeting other, third groups, and reaching agreement with them. That is what we must do, comrades, reach agreement, since... [changes thought] just look where the miners' strike has gotten us. We will never get the metal back. Some 5 million tonnes of rolled metal will be lost forever. And what is 5 million tonnes of rolled metal? Just feed it into a machine, pass it through and see what you get. In Kokchetav and Chimkent we heard complaints that there was no metal. There is no metal, we were told.

For this reason we now need to do all this. And you know, anyone who says to us, come on with indexation, come on with social security, let us solve all these questions, and so on, this is all necessary. But no one will devise and invent social security, even the most active, if the factory is not at work and people are deprived of the possibilities of working and earning. What kind of social security?

After all it rests on something, on rising profits, income; there is a budget, we pay pensions, we pay wages to teachers, science, and in the end the wages of those who work and themselves live on material production. The most powerful social security is to open the possibilities for people to work, to show initiative, introduce powerful incentives, and have work. This is the most authentic social security.

Saying this, I do not want to deny that everything which comprises social security—employment, indexation and so on—all this has significance. But you understand that the fall in production, generally speaking, has fully become a political problem. I have to say that in this regard, I understand the reaction of the miners when they raise the question of the government and the country's administration, they have this in mind. There have to be such processes—and this is to a significant degree linked to political decisions by state authorities—which offer the possibility of giving oxygen to our economy and production collectives. Everyone understands that no one has money-bags, not because the government sits there greedy and does not understand and sits on its money. No, this must be created. But people want to move toward new forms of life more quickly. This is how I understand them.

If I further add that in April we switched to new retail prices—and that is 30-35 years, and some prices we have not touched for 50 years, since the war—then you can imagine what we went through in March and April. And I must say that from this point of view, despite the critical and demanding conditions and the tough demands made by people to the central authorities, and our republican and local cadres, we must say that nevertheless here the endurance of our people saves us, the whole situation, and the whole course toward reform.

On the whole, people are living difficult, hard, lives and suffering hardships. Therefore, we cannot protract this, the transitional period. We must move faster. In this particular situation, all this political incandescence that we lived through in April—and it was further augmented by the fact that interethnic conflicts continued, while certain forces attempted to use this severity, especially in the market, in order to push the people toward unconstitutional measures and actions, and, so to speak, to solve their own problems—well, all this incandescence led us to the understanding that, indeed, it is time to turn from confrontation to cooperation of all the forces in society. In this sense, such an appeal was voiced on 9 April at the meeting of the Federation Council, and this same idea permeates the declaration by the USSR president and leaders of the nine union republics of 23 April. I consider it—and, it seems, I am not alone here—as a major political event which became a turning point from confrontation to cooperation, indeed, between all forces interested in a way out of the crisis.

I cannot pass over in silence the fact that this declaration was not to everybody's liking. We must see this, comrades; we must make a political analysis in order to clearly work out our stand, and to stick to it. Both on the part of extreme left and extreme right, accusations started to be heard, addressed to the participants of the April meeting. I, on the whole, find long speculations on the subject out of place here. First of all, you know, this would look like self-justification. Why do I, or the comrades who were there, have to justify ourselves for having taken a clear and honest stand and having declared it for everybody to hear? Without any political games, so to speak? But having understood the meaning of what is going on, they formulated their position at this most crucial moment in the development of the society?

Who is there so justify oneself to? To those who wish to frustrate everything we are doing? To those for whom the worse things are, the better they feel? This makes no sense whatsoever. We must engage in political discussion, indeed, struggle, with them.

Generally speaking, now I think—I might have dragged out my speech a little at this point, but I think, comrades that this is the most important thesis which I wanted to realize and to convey to you.

We need to take advantage of the chance that has opened up, the chance to consolidate society, to achieve social accord. But we have our own attachments in this country. We have parties and political movements now, and people have allegiances to various churches. As well as all these attachments, there are group interests. There are even aspirations of various kinds. This is all understandable. This is illustrated by the many programs which you can now read. But there are supreme interests, overall national interests, the interests of the state and the people, the need to reshape, to resolve tasks in the framework of perestroyka. Everybody must put this first. Everything must be subordinated to this.

The fact that precisely this was stated within the framework of the declaration issued on 23 April—and stated in concrete terms—means, I think, that society has seen a chance for an improvement of the situation and that it has lent its support—a majority of society, all sober-thinking people in our country lent their support to that declaration. As for those who failed to lend their support, let them state why they withdrew their support.

Secondly, we and you now have a program, a program of joint actions adopted by the USSR Cabinet of Ministers and the governments of the republics for leading the country's economy out of the crisis, in conditions of the transition to the market. What I regard as important here is the fact that this is a joint program, comrades. When I was departing it was not yet signed by the leadership of Russia, but I hope that all the practical positions were already agreed upon there and that they, too, should sign this program. But it is a joint program.

Because, in the current situation, one can reckon that only those documents that express a common position will work. There is no other mechanism capable of making everybody work in unison and adopt the same approaches, as they cooperate and support each other. In this sense, this is the main feature of this program. That is the first thing.

Secondly, the chief burden of work to implement anticrisis measures will be borne during 1991. What do I regard as particularly important in this respect? The first thing is to prevent a further increase in the disintegration of economic ties and a further slump in production. I have to say that the miners have now done a massive amount of work. Taking account of the fact that some more issues which the government has not yet fully resolved will be resolved for them, the miners already see the possibility of reaching the target set under the annual plan for coal extraction. If everything continues to go well, they may even add a bit to the score of 13 million tonnes. I do not know how things stand with Karaganda. No debts? That is good. This means that so much more can be put on your plate and you can help others, as is the miners' way. The metallurgical workers are now doing their bit. They have their own task. The 5 million tonnes of rolled metal which the metallurgical industry has lost will never be recovered now. But they are now working to make sure that all opportunities are taken to reach the level which we were counting on for this year, as far as the metallurgical workers are concerned.

This, I mean, is a grand cause, because it will have an effect on the entire power engineering industry.

The oil men are also working with Comrade Velichko on this matter, and there, too, there is hope for stepping up production and recovering the losses. There, too, the oil men have this hope. All this together will obviously affect all the branches of industry. We are left with the hard problem of light industry which was based on using the raw materials purchased with foreign currency, that we were buying with this currency. Nevertheless, we are tackling this task. But I think that by realizing our plans in relation to the basic industries, including those mentioned in my decree, we should create incentives for all other branches of industry, especially those connected with production of goods.

And here, in the anticrisis program, different taxes and even special incentives for those who produce the consumer goods have precisely been envisaged.

Nursultan Abishevich has raised the topic here about growing and harvesting the crops, and in essence, during the visit these questions were raised in Kokchetav and Chimkent Oblasts. I should like to tell you that indeed with all the difficulties, with all the strain in the economy, with the recession, we have done everything possible for agriculture in this situation. Spring farmwork, generally, went normally, apart from those places where the weather has caused damage—as in Uzbekistan—or delayed processes by one or two weeks.

But nevertheless, the main ground work for the harvest has been done. I will not talk on this topic, I just think that our greatest losses occur during the harvest. The task today is to prepare for the harvest, using all the possibilities of our towns and our industry. Here I welcome all measures, both economic and administrative. I most ardently welcome your search regarding advancing land reform. I think that if we go along this path throughout the country, and the process has begun, I like—you know what?—the fact that good farms have also joined in the restructuring of production relations. This is what is important.

I do not know when unprofitable collective and state farms will have an impact. I do not know, time is still necessary. Some of them will probably simply collapse, or peasant farms will leave, but we must act so that there are fewer such losses. If we offer the possibility of using new forms of farming and incentives for good new farms, then we will quickly be repaid.

Well, all that must be done, and I welcome the fact that associations of cooperatives have emerged on the basis of good farms, with their own accounting and pay, with plans of their own, with initiatives of their own, and their own plans. This is very good and it is something for which I would like to emphasize my support.

When I visited the republic—and this topic was mentioned here at the meeting, too—it is the topic of getting the reform going in industry and also in the whole of the economy. In connection with this there is the topic of removal from state control and privatization. I wish to say, first and foremost, what we understand by removal from state control and privatization. We mean the most varied forms of social, collective, and individual property, including of course private property. But the view of the entire world is that the transfer from total state property to non-state forms of property is privatization. Here they say that privatization is definitely a transfer to private property. But there are also joint-stock companies, collective enterprises, leasehold enterprises, family leaseholds or economic ones, and there can of course also be, particularly in the field of services and small businesses, private ownership as well. We are facing the fact that we must move toward a mixed economy. If someone will propose something which will be more successful in uniting people's interests, without reforming property relations, then we welcome it.

In all these years, how long this disucussion has already been under way. No, comrades, if we fail to reform property relations, if we fail to change production relations, and if we fail to alter the individual's position within the production process, no interest or incentives will be brought into play. That is why one must not refuse to go along this path, but one must proceed along it, with the one proviso that the most serious fears of our people should not prove to be justified and that this property accumulated by generations of our people should not fall into the hands of thieves. But that is a matter for legislation and it ought to be reflected there. I think that we shall discuss all that and it is a matter for all the people and all labor collectives, and that it cannot merely be imposed from above. Our society should accept it.

Do you know what else I would like to say? There is one question about which we argue a great deal. Now we already argue about it openly, and there are some who have even already contrived to declare the results of our foreign policy activity a strategic defeat. I do not usually enter into discussion of these issues. For this is a very unqualified condemnation often dictated by some moods—and it is difficult to even say which ones—because all of this was done, all of these steps were taken within the framework of the new way of thinking, and the attainment of major agreements in foreign policy was reached on the basis of thorough studies in which our best forces involved in the implementation of foreign policy participated. But nevertheless, even now they say, why does the president involve himself so much in foreign policy?

Comrades, now we must not slacken our attention in the direction of foreign policy. In the conditions in which we have embarked upon thoroughgoing reforms, first and foremost we need favorable conditions. This is the first thing.

In the second place, we must move along the path toward further disarmament. Other countries are taking part, to a certain point, on the basis of our new defense doctrines. And we need to reduce our expenses thereby and turn our economy, which is overloaded with defense matters, in the direction of man. The best means, the very best cadres, and the very best scientists are there, and enormous prospects are opening up in this area through conversion. This means that from this viewpoint, too, it is necessary to act in this way.

Finally, when we are entering the phase of decisive changes, we need to embark upon a practical sort of synchronization for cooperation between our domestic moves for the radicalization of economic reforms and the cooperation and programs from Western countries. In connection with this, I put forward this idea that I would like to share my thoughts on this matter with representatives of the Seven.

You will have noted how tortuously this process is developing, but nevertheless, nevertheless I believe that it is becoming more positive. Of course the business of perestroyka is our business. Our concerns are the main ones, the main expenses are ours; it is our patience... everything. First and foremost, the responsibility must rest on us. But, I must say that this will advance more successfully if we enter into such cooperation with Western, with the developed countries.

For this, we need to create the sort of preconditions that could interest foreign capital. The third point is that I have carried away from my meetings on the soil of Kazakhstan the deep conviction that people understand that there will not be accord and peace in our vast land, on all its territories, in all the republics and regions of the country if we delay, prolong, and even more so if someone succeeds in torpedoing the process of reforming our national state. I spoke a lot about this with Comrade Nazarbayev during these days. I have to admit that I have also heard a lot from people here, not only proposals but also demands: Why [does this reform have to be carried out by] the Union Government and the leadership, and why is there not this same kind of responsibility for resolving this cardinal issue in the life of our multinational state that we are manifesting here in Kazakhstan and expect the same steps in all the other republics.

We have embarked on a very important stage that promises to advance in the near future in the direction of concluding a new Union treaty. The drafting committee has begun work. The next session if the drafting committee is on the third, and we will proceed then on the basis of chapters and articles; we shall be endorsing things and putting them to one side so that once something has been endorsed we then move on. That is to say, practical work will be under way.

There exists an understanding and agreement on most of the principal issues. That is why the need and the essential requirement arose to say to our people—and a report on the drafting committee session was made—that in June the drafting committee will submit a cohesive, a prepared and cohesive document, the draft Union treaty, for all the supreme soviets. I think that things thus become, as it were, clearer for you.

There are grounds for hoping that this will be exactly so. One Alma-Ata man today expressed a wish that during the preparation and conclusion of the Union treaty a formula of strong republics and a strong center—a formula with which people agree—should be put into practice. I told him I support the idea fully, because while getting away from one extreme, the unitary nature of our state, when republics were not getting this oxygen or opportunities of tackling the problems they tackle now or are yet ready to tackle within the framework of the newly acquired sovereignty, we should not go to another extreme and turn the Union into something amorphous, incapable, not alive, or dead. This will be a calamity. It will be a calamity no less than what the unitary nature of the state led to.

That is why I am in favor of preserving this state. I favor its integrity, a renewed federation where there are sovereign republics possessing all the sovereign rights and where there is a center that possesses the rights that the republics need, so that there is precisely such a center capable of tackling the general economic and political questions of security and human life.

Well, all that is needed. Comrades, no one can divide us; it would be utopian to suggest otherwise. I welcome the clear and precise position of the leadership of the republic and all the people of Kazakhstan who, in the building of a new Union, of a renewed federation, represent an area on which one can rely, and I welcome your clear-cut position, Comrade Nazarbayev. [applause]

In this connection, things are being said to us, and things were also mentioned in Comrade Nazarbayev's speech and in the speeches by other comrades, about interethnic relations. Some people want, as it were, to carry out some sort of plans, and I hear questions about some sort of military district being set up in the north and so on.

I think we ought to say unequivocally that we recognize all the traits of certain circles, that we take account of history, that we draw some conclusions from it, that we can lend our support to everything that is good and positive, that we can take into account some specific cultural aspects. All this, so to speak, is a normal process. However, the campaign by some forces to restore something, some sort of military district, in pursuit of certain goals that I think are unseemly, is rejected I think by the people of Kazakhstan, and we ought to reject it and to support this perfectly clear position that I think is the position of all of you. [applause]

We have embarked on the path of reforming and renewing our federation, and we shall proceed along this path in the interests of all the peoples who live on the vast territories of this great power.

Ending my speech to you, I would like to say this. In the course of talks here as well, the issue arose, somehow or other, of the party's activities in the context of the real present-day situation, in the context of the events taking place in our country. The processes of perestroyka are progressing with difficulty, as is the reform of the party itself, and this has an effect on all the processes. But I think that we cannot do things any differently other than going along this path so that the party can absorb all the best that is within it and can decisively throw out the traces left on its character, activities, and image by the command administrative system. Comrades, we need to see this process through to the end, and we need to revive the party in the same way that we are reviving the whole of society, our union, and all the peoples.

A most important political institution... [changes thought] I personally feel great responsibility in the face of all the difficulties of my position because of the difficult processes that are under way. How should we act? I think that we should follow the course of the 28th congress, as we planned to do. Now, when we have had to push things through with difficulty to see the program documents adopted and the rules at the 28th congress, these forces have not quieted down. Once more they are attempting, by means of all sorts of initiative forums and anything else possible, to once again raise these issues and pose them and increase the tension. And by doing this, they want to strike at the party itself.

At the same time the party, together with the people, should resolve these tasks of enormous historical importance, it is being dragged into internal discussions, which frankly speaking, are self-destructive. My raising the issue of resigning from the post of general secretary was dictated by the fact that I cannot agree with these tendencies within the party that want to turn us back, even more so since now, in accordance with the resolution of the 28th congress, we are working on the CPSU program. There is a drafting and program commission, and it is working. The first version has been discussed, and it was submitted to very serious analysis and criticism. Many observations were made, and now, before my departure for Kazakhstan, I sent all the members of the program commission a new version of this program. This is the basis on which the party will definitively determine its position.

As for those who are unable to accept this program, let them decide what they are to do. I think that it is a progressive program, within the framework of the socialist choice, but it is open to the broad and deep processes within the party itself, so that it can gain a firm foothold of its own.

Let me say that, despite everything, my outlook is optimistic. The biggest victory would be if we, on the basis of the new program, achieve cohesion and unification of the party and avoid a split, since it would be a gift to those who would like to damage not only the CPSU but also our entire policy of perestroyka. That, then, is my brief response concerning this major issue.

I should have liked to have said a lot, but I have tried to concentrate on the main things. I have spoken to you sincerely, and I have left my papers on one side, and I have listened to the conversations I heard at my meetings and what was said here during these hours at this meeting. I am relying, comrades, on your support in this work; I am hoping for cooperation. To a great extent, we understand one another, and I think that this will not desert us, but on the contrary, will increase. I wish all of you success; may you all continue this way.

Answers Question on Miners

PM3105092991 Moscow RABOCHAYA TRIBUNA in Russian 31 May 91 p 1

[Report by correspondent Lev Rumyantsev: "'You Must Not Think That I Have Decided To Avoid Sharp Corners,' Mikhail Gorbachev Said in Reply to a RABOCHAYA TRIBUNA Correspondent's Question During His Trip to Kazakhstan"]

[Text] Kazakh SSR—To my question as to why during his working tour of Kazakhstan the USSR president had selected the quietest oblasts without meetings or strikes—Kokchetav and Chimkent Oblasts—while overlooking the determined miners' Karaganda Oblast, Mikhail Sergeyevich replied:

"You must not think that I have decided to avoid sharp corners, shunning direct, open conversation with the strengthening workers movement of Central Kazakhstan. After all, there are not only miners there—miners who now hold a firm, reasonable stance, aware that strikes mean the state's collapse. There are also the metallurgical workers of Kazakhstan's Magnitka who are working alongside the miners under difficult conditions. A firmly tied knot of problems with the quest for their solution. In Karaganda Oblast I would have had to work for at least two to three days. But I shall have a separate trip to Karaganda. You can tell that to the miners and metallurgical workers via RABOCHAYA TRIBUNA."

The purposefulness of M.S. Gorbachev's present visit to Kazakhstan emerged in the first hours. In Kokchetav, scarcely had he familiarized himself with the city before he drove out with Kazakhstan President N.A. Nazarbayev to the virgin land farms, where he met mainly with lessees and familiarized himself with their daily existence and concerns. Arriving in Chimkent the next day, he went straight from the airport to Bugunskiy Rayon.

At the request of photojournalists, a souvenir photograph was taken: the president of the country and the president of Kazakhstan amid a dense row of plump ripe ears of wheat. But you cannot stop life with an idyllic photograph. Knowing M.S. Gorbachev's accessibility, people addressed the most diverse requests to him directly on the fields and at the shepherds' stations and as a whole met with support. Only once, after a long and difficult conversation, did he say that so far he could promise nothing. The point was that the day before the trial of former Chimkent party obkom [oblast committee] First Secretary Askarov had ended, who had been found guilty of receiving bribes to the sum of 111,000 rubles and had been sentenced to 11 years in prison. A group of rural inhabitants, mainly veterans, asked the president for assistance in reducing the severity of the sentence passed on the former party leader.

"Laws must be strictly observed," M.S. Gorbachev said. "You elders yourselves are asking me everywhere to strengthen discipline, legality, and law and order. Surely we cannot make exceptions for anyone."

M.S. Gorbachev and N.A. Nazarbayev convincingly and persistently steered a joint line at their meeting with leaders of the oblast and rayons. There was talk of the need to instill in a person the sense of owning the land. In that respect only the first steps are being taken in Chimkent Oblast, although they are successful. The lease has gone well, M.S. Gorbachev said.

"What hard-working, skillful people you have," he added. "They really love the land."

President N.A. Nazarbayev summed up:

"We shall strengthen life in Kazakhstan on the basis of the three 'whales'—internationalism, the Union, and the market."

M.S. Gorbachev's full three-day working trip to the republic ended in Alma-Ata. Here he laid wreaths at the monument to V.I. Lenin, met with the collective of the cotton combine, and visited the Medeo sports complex high in the mountains.

M.S. Gorbachev had a meeting with the republican aktiv. On the evening of 30 May he flew to Moscow.

Visits Cotton Combine

PM3105102591 Moscow IZVESTIYA in Russian 31 May 91 Union Edition p 1

[Report by correspondent V. Ardayaev: "M.S. Gorbachev in Kazakhstan"]

[Excerpts] Alma-Ata—When on the eve of M.S. Gorbachev's arrival in Kazakhstan we journalists were acquainted with the preliminary program for his working tour of the republic, my colleagues were surprised by the choice of industrial enterprises meetings with whose collectives were planned for the USSR president. [passage omitted]

The very grave problems discussed in M.S. Gorbachev's talks with workers and leaders of the cotton combine extend to all light industry enterprises in Kazakhstan without exception: the imperfection of obsolete equipment, the hopelessness of modernization which has dragged on for years, the destruction of horizontal ties, which has led to the very acute shortage of many types of raw and semifinished materials. Difficulties in the social sphere, low wages with hard three-shift work for women, often accompanied by considerable above-norm overwork, are leading to cadres turnover and the loss of qualified specialists from production. The enterprise is powerless to do anything to improve the position of the workers because to this day it is hedged around with laws which prevent it from disposing of its own funds.

In a shop of the Alma-Ata cotton combine an elderly female worker told M.S. Gorbachev simply:

"Why hide the fact that we have a hard life, Mikhail Sergeyevich...."

A. Zaytseva, the combine's general director, gave the president the figures: In a year the enterprise receives an average of 50 apartments, yet the waiting list for housing has 1,800 people. Wages are several times less than in any cooperative. Many women who have worked at the Alma-Ata cotton combine for 15 years or more are still living in the hostel with their families. How, under such conditions, can one keep people and stabilize production?

In Kazakhstan M.S. Gorbachev heard many difficult questions and unexpected opinions. For instance, on one farm in Chimkent Oblast a group of shepherd elders covered in awards asked him with one voice for... clemency for convicted former party obkom [oblast committee] first secretary A. Askarov who, the veterans said, had done a lot to develop the oblast. The USSR president promised to examine the question but strictly within the framework of the law. Questions were asked regarding the problem of the Aral Sea, the fate of the Semipalatinsk nuclear testing range, the Nine plus One agreement, and the possible date for signing the Union treaty.... At any rate, M.S. Gorbachev had to answer no less than he had to ask in Kazakhstan.

No, it was not a smooth or precleaned path which was prepared for the country's leader in Kazakhstan. Although there is no denying that a week before his arrival they set about painting the fences and laying asphalt on the streets in Alma-Ata.

One thing is undoubted: This working trip by the country's leader has become a truly working trip, not a triumphal, festive one as was the case in the past. It was not invented problems but the real, living, and very painful problems of the republic and the country which were presented to the president. Perhaps that was why, in answering a question from one journalist about how he assesses the choice of path taken by Kazakhstan, Mikhail Sergeyevich said:

"What is being done today on Kazakhstan's soil allows me to confirm that the republic is in the vanguard of the movement for the fundamental restructuring of society."

Meets With Cotton Workers

PM3105195791 Moscow SELSKAYA ZHIZN in Russian 1 Jun 91 pp 1, 2

[Unnamed TASS-KazTAG special correspondents' report: "Toward a Renewed Union: M.S. Gorbachev's Stay in Alma-Ata"]

[Excerpt] Alma-Ata, 30 May—M.S. Gorbachev, USSR president and general secretary of the CPSU Central Committee, has completed his trip to Kazakhstan.

On Thursday morning Gorbachev laid flowers on the V.I. Lenin Memorial.

The next stop on his itinerary in the Kazakh capital was the Alma-Ata Cotton Combine. The fate of this enterprise mirrors all the painful questions which the light industry of the republic and the whole country have encountered. During the quarter century of its existence the enterprise has doubled its initial design capacity and now meets 30 percent of Kazakhstan's cotton needs. But all the internal resources are exhausted today.

These problems of production and social protection were the major ones figuring in the conversations between textile workers and M.S. Gorbachev during his visit to the combine.

One such dialogue took place in a workshop in Factory No. 2. Responding to the words of fitter V.S. Belogolovskaya, who complained that even basic spare parts from Czechoslovakia have to be paid for today in hard currency, M.S. Gorbachev observed: Remember how everyone started talking at once about the need to switch to settlements in hard currency. Now, having tried the new approaches, we have seen that we still need one another. An energetic search for mutually acceptable solutions to this problem has been under way over the last two months. We have agreed in principle that cooperation needs to be retained as the basis.

As far as the disposal of hard currency is concerned.... This problem can be removed once and for all only when the ruble [R] acquires its own value and attractiveness.

Voice: That is to say, after it has been made convertible....

M.S. Gorbachgev: That does need to be done. It is necessary to make the ruble convertible, to open up the opportunity to attract the capital of foreign firms for modernization, and to stop stewing in our own juice.

V.S. Belogolovskaya: Mikhail Sergeyevich, we are going over to a market economy, but our wages are at a very low level....

M.S. Gorbachev: During the transition to the market you will have to manage chiefly through modernization, new techniques, and the production of new kinds of goods. You will live according to the rules of the market and will therefore have to think yourselves about how much to earmark for wages. It is necessary to create preferential terms for sectors like the light and food industries, which have lagged very much behind in our country and in connection with which the consumer market is so poor. This year we have established in the anticrisis program a different tax system which provides incentives for all enterprises producing consumer goods.

V.S. Belogolovskaya: When will the Supreme Soviet finally deal with the Law on Leave?

M.S. Gorbachev: They have indeed held back, why? Just last year we introduced increases, particularly concerning the pension fund, equivalent to our underspend on this sphere in the previous five years. The state has virtually no resources to enact this law. That will require R17-18 billion. Although the question is of course fairly and justifiably put. We need to get out of the financial situation we find ourselves in together. We must together find the resources to solve this problem.

There was no lack of questions to the president. Many were on an even more painful topic—the provision of housing for combine workers. The following—at first sight—paradoxical question was asked: Can our light industry be made a heavy industry?

M.S. Gorbachev: On the whole you put the question correctly. Previously the whole economy developed as follows: first came heavy industry and the defense industry and then light industry and the food industry. Therefore ours are the weakest among the developed countries. So reconstructing the light and food industries is now a statewide task. We have assigned R76 billion for the creation and development of the base of these sectors, but in practice we have failed to establish the groundwork for their fundamental modernization. I would like to inform you that there are major and very interesting proposals from the West from firms that want get involved in modernizing sectors producing goods. I think we need to embark on this. The food question and the light and food industries are immediate tasks for us today. [passage omitted].

Concludes Kazakhstan Visit

LD3005170591 Moscow TASS in English 1645 GMT 30 May 91

[By TASS-KazTAG special correspondent]

[Text] Alma-Ata May 30 TASS—Soviet President Mikhail Gorbachev has completed his tour of Kazakhstan.

In the morning Gorbachev laid flowers to the monument to Vladimir I. Lenin, the founder of the Soviet state.

He then visited a textile mill to discuss issues of production and social security with local workers. The president remarked that the task of modernising consumer and food industries should be handled at state level. A total of 76 billion roubles was allocated to develop production in these spheres, but conditions for starting their modernisation were not yet created.

Gorbachev said that, in his view, "there are major and very interesting proposals from Western firms wishing to participate in the modernisation of consumer goods manufacturing branches."

"I think we should agree to this," he added.

In the afternoon Gorbachev addressed republican government and party executives.

Gorbachev left Alma-Ata for Moscow tonight.

Nazarbayev Addresses Kazakh Aktiv 30 May

LD3105203391 Moscow Central Television First Program Network in Russian 1845 GMT 30 May 91

[Address by Kazakh President Nursultan Nazarbayev at meeting with Kazakh officials and managers attended by USSR President Mikhail Sergeyevich Gorbachev in Alma-Ata on 30 May—recorded]

[Text] We understand that it is only thanks to the processes of perestroyka which began in April 1985 that the Kazakh people were able to talk in full voice about their history, national revival, state sovereignty, the rescue of their language, and the numerous calamities which had brought the Kazakhs to the brink of physical extermination and full assimilation. In putting right the tragic mistakes of the past, our multiethnic Kazakhstan takes equal care of the rights and freedoms of all citizens without exception, regardless of their nationality, language, religious faith, and party or public movement affiliation. The Kazakhs can understand this policy. They believe in it and hope that the political and economic reforms currently underway will ultimately yield fruit, enabling them together with all other peoples of the republic to create for themselves and their children the life that people deserve.

This faith helps them stand up to serious socio-economic difficulties and retain in the republic stability and interethnic harmony. Looking more closely at the processes of economic reforms which are under way in the republic, one can detect many complex and contradictory phenomena, including dynamic confrontations that occur during rapid development. We will see the disintegration of old structures and of the structure of administration and relations.

This is an objectively inevitable and a rather painful stage in the transitional period. Because of it, certain people not only in the republic but also in the country feel a sense of chaos and therefore the desire to go back to the old order. What can be said about this? Let those who shed tears for the so-called planned economy remember what it is like. We worked in those conditions and we know well what these plans were like in reality. They existed merely on paper. But in practice all this was just deception and complete imbalance. At enormous expenditure, multitudes of revised plans and duplicate accounting were used to build Potemkin villages [replica showcases].

I think there is no going back to the past. This is confirmed by substantial growth, I would say, and energetic crystallization of new forms in the economic and socio-political life of the republic. New life is actively coming into social and political spheres. Public movements reflecting the interests of the most diverse groups and layers of society, ethnic, and cultural centers, religious organizations, environmental societies, and new creative unions have been emerging and coming into action. Of course, there are excesses here, too. But we cannot get away from the following objective conclusion: the polycentrism and polyphony of life which are emerging and growing stronger, combined with the interests of people of various nationalities, views, convictions, and economic aspirations, which are mutually complementary, can cement society 100 times better than the monopoly of a party state on absolutely everything.

We can state this: In Kazakhstan the creative accumulation of the new life and a multifaceted, complex process of new economic and social structures undergoing self-organization are under way. And the task of the organs of the republic's state administration is to take all this into account in their activities as much as possible.

It is pleasant, of course, when the formation which is just emerging is immediately laid into a legal foundation, as it was, for example, with legislative acts on attracting and protecting foreign investments and capital of the republic, on free economic zones and many others. Our main market document, a law on destatification and privatization, is on the way and we are getting ready to get down to implementing it immediately. However, there are a lot of impediments on the way of positive changes. The more complicated the situation becomes in the country as a whole, the more impediments there are in the republic. This is understandable. Kazakhstan is not living and developing in an isolated space and economic and social diffusions have no bounds.

Now we can clearly see the fruits, in inverted commas, of totalitarianism and (?administration) in economy. The center, with the help of obedient leaders on the ground, intensively developed only those sectors of production that were undeviatingly turning the republic into a raw appendage of the country. It raked out natural resources, which cannot be restored, shamelessly and very cheaply. We were told: Inhabitants of Kazakhstan, mine coal and ore, smelt metal, and do not worry about the rest; allegedly, everything that is needed will be brought to Kazakhstan from other places. I am not even talking about the ecological troubles that accompany such policies: the Aral tragedy and nuclear violence upon nature in the region of the Semipalatinsk testing area are only the most impressive from an endless list of examples of a barbaric attitude toward the land of our ancestors. Now, as previous economic ties have been just broken and supplies have been disrupted, Kazakhstan and all Central Asian republics found themselves in the position of poor relatives. From consumer goods, to technological equipment and budget resources—we have to beg for all this now. What will happen if we also make our consumers—and there are quite a lot of them, all regions of the Soviet Union—beg us for supplies of raw materials? Then a complete breakdown is awaiting the country.

In order to prevent this, effective measures are required, capable of consolidating our economy. In Kazakhstan, taking into account the program of joint actions by the USSR Cabinet of Ministers and the governments of the sovereign republics on extricating the country out of the crisis under the conditions of the transition to the market, an appropriate republican program has been elaborated, including the program for removing statism and the privatization of property, which will be put forward at a session of the Supreme Soviet of the republic. One of our main tasks is not only not to allow the worsening of the food supply of the population, but to consistently improve the state of affairs in the consumer market. Anything possible is used to achieve this. For example, all citizens, without exceptions, are allowed to have allotments. Sixty-five thousand hectares of land have been allocated already this year for these purposes. Besides this we have taken unpopular measures, such as preserving the state order for the previous volume of sown areas under main agricultural cultivation.

Rural workers' interest in increasing the production of oil-producing crops and groats, in which we must become self-sufficient, has been raised.

The mood of the toilers of the Virgin Lands, the Republic's main granary, is well known to you, Mikhail Sergeyevich. You have visited Kokchetav Oblast, and have seen for yourself that, contrary to skeptics' forecasts, Kazakhstan is successfully completing the sowing of grain crops.

Quite a lot is also being done in the countryside to develop and strengthen various forms of property and management. Over 1 million people are now working in leasehold collectives. Some 2,000 cooperatives, 640 peasant farms, and 46 joint stock companies are operating in the system of the agro-industrial complex. This is not a concession to fashion. We have calculated that only 1 percent of land areas now at the disposal of the private sector provide us with some 30 percent of the agriculture produce being produced, and its cost is two to three times lower than at state farms.

It is necessary to give effective assistance to the republic's agriculture, especially as far as material-technical backup is concerned. The gathering in of the harvest is causing us concern already today.

Kazakhstan—you are well aware of this, Mikhail Sergeyevich—is the only republic that exports and delivers to others food grain, which the country is today purchasing for hard currency. Selling grain for rubles, we are entitled to expect that the republics and oblasts receiving breadgrain from us will ensure 100 percent deliveries of tractors, combines, trucks, and spare parts to go with them. At the same time, questions of the purchase abroad of equipment and technology for the storage and processing of potatoes, vegetables, fruit, and grapes need to be resolved. We would ask for special attention to be devoted to the provision of animal husbandry with equipment and materials. The situation of a general shortage forces the managers of farms to make ruinous barter deals. As a result, the republic's meat resources are being squandered. Deliveries of meat and dairy produce to all-Union stocks are decreasing sharply.

We must, nevertheless, draw a conclusion from last year's gathering of the harvest. The rural worker should not be left alone to face his problems and difficulties. Further procrastination will turn into losses, and instead of an improvement in the food supply the country will inevitably be placed on the verge of famine.

It is, finally, necessary to establish order and secure equivalent prices for agricultural produce, technological equipment, and mechanisms which are being supplied to the countryside. A stop must be put to the robbery of the countryside. The presidential decree on urgent measures to ensure the stable operation of the base industries of the national economy has been received with satisfaction in the republic. It is already being implemented in practice. The responsibility of local soviets of people's deputies and their executive bodies for the uninterrupted, reliable functioning of enterprises of the base industries is also being increased.

At the same time, we believe it is necessary to speed up the division of property between the Union and the republics, to put a stop to its destatification by the Union's industrial organs of government, which want.... [changes thought] They have changed their labels, but are operating by the old methods. Oblast soviet of people's deputies must not permit such robbery. I want to assure you that when facilities of the base industries are transferred to the jurisdiction of the Kazakh Soviet Socialist Republic, we will display the maximum balance and circumspection in terms of maintaining the coordination and management of production in the country as a whole.

The fundamental question is the stabilization of the impossibly disrupted finances. Without a solution to the problem of finance and of balancing the budget, the main step toward market relations and embarking on the removal of statism and privatization of property is not possible.

In the republic we are convinced that we have to go boldly and decisively in this direction, and not mark time. In my opinion it is now clear to everyone that it is the chronic delay in adopting important perestroyka decisions that has been instrumental in the large-scale miscalculations and mistakes in the strategy and tactics of economic development. This is a trouble and misfortune common to both the center and the republics, and to the local bodies of power. In essence we have the entire time been trying to revive the hopeless and definitively discredited administrative-command system of managing the economy. Let us not get stuck again, going around and around in the well-worn rut, so as not to reap again the bitter fruits of disappointment.

We see another very real danger in the transformation that has been started in the worsening deterioration of interethnic relations in the country. The people of Kazakhstan know how much time and effort is taken up by preventive measures and counteractions to the negative trends in the republic. One is getting the feeling that some people are finding it very advantageous to maintain supercharged tension in a whole series of regions—that someone, either consciously or for reasons of, to put it mildly, shortsigtedness, is stoking up these processes.

I will not hide the fact that we are worried also by talk of the formation of separate Cossack units. One wonders who they are preparing to defend. Perhaps they want to remind the national minorities of the former tsarist empire of the period of colonization of unarmed nomads? The folk memory remembers to this day the deception, humiliation, and cruelties of that period. One is getting the impression that the notions of real time and space have disappeared from some people's heads.

I want to be understood absolutely correctly: we are in favor of the equality of all, of the revival of good traditions, customs, and cultural values that have been undeservedly forgotten, of the development of the languages of all the peoples of the republic.

Mikhail Sergeyevich, you have seen for yourself the commitment of the people of Kazakhstan once again to a renewed union. They welcome any steps aimed toward this goal. But the rapprochement between the positions of the center and the republics had only just begun to be seen, the signing of the Nine plus One agreement had only just taken place, when grenades thrown by those who had just left the trenches started to explode, one after the other, around the tender shoots of accord. If this is the way they want to cure themselves of their trench fever, then I do not know.

Nevertheless, the fact remains: The orthodox, bellicose Communists, in their overwhelming majority apparatchiks, and not rank-and-file members of the CPSU, have gone openly on the attack, throwing out the slogan: Back, command socialism.

On the other hand, the democrats did not like the participation of the leader of the Russian Supreme Soviet in this agreement. This unanimity of views in diametrically opposed political groups forces one to reflect.

The main issue today is the new Union, and the people have the right to know the names of those who are in favor of it and who is being devious.

As a Communist, I do not reject the great socialist ideas of freedom, democracy, and the equality and fraternity of people, or the principle of: To everyone according to his labor, from everyone according to his abilities. The same thing can be and is being said by hundreds of thousands of members of our republic party organization. This lofty, noble idea will never die. It will attract ever more generations of fighters for the people's happiness.

But today we can see how some fervent supporters of so-called pure socialism are not concerned in the least with improving the people's lives. Having armed themselves with ideological dogmas, they are fighting for personal power, for preserving their own privileges.

In this connection I want to note that the stabilization of the situation in the country is not now possible by means of the establishment of the single rule of only one of the political forces, as no single one of them can so far take on itself the whole responsibility for getting out of the crisis.

Kazakhstan is in favor of a renewed federation. What it is to be called is to be decided jointly. But one thing is clear: It must be a union of sovereign national states, with a common economic space. It is only joint support for a policy of social accord, a common movement along the road to market relations, the further democratization of all spheres of life, and integration into the world community that will give us a real possibility of solving all our complex problems. I am convinced that the supporters of this choice are in the majority. When we truly start to march in this direction, those accompanying us down the road will become significantly more, Mikhail Sergeyevich.

Uzbek President Karimov Interviewed

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[Interview with Islam Abduganiyevich Karimov, president of the Uzbek Soviet Socialist Republic, by Vitaliy Ivanovich [surname not given] in Karimov's office and garden; date not given; from the "Political Dialogues" program—recorded]

[Excerpts] [Passage omitted] [Correspondent] You make decisions. Are you always convinced that you are right? For example, your law banning demonstrations on the territory of Uzbekistan—in general, this is a violation of human rights to a certain extent.

[Karimov] Fortunately, I do not consider this a violation of human rights. Why not? Demonstrations are banned here, but rallies and meetings in indoor premises, the biggest that we have in Tashkent, are permitted. So, I reject that about rights. On the contrary, if we are talking about human rights, we should protect the interests of the majority and, in the cause of the interests of the majority, give up on the interests of individual categories of people who use rallies—as a rule, rallies in Central Asia, in Tashkent, Uzbekistan—which as a rule turn into pogroms and arsonism, that is, individual acts of nationalism, interethnic tensions, where the processes are already getting out of control, it is in the interests of the majority, for the sake of preserving stability, for the sake of saving those same young people and preventing grief for mothers that we decided, I decided on this. I do not repent this in the slightest to this day. Please, you can say what you like indoors, and we will accept any petitions, any demands, but rallies as such, which, I repeat, turn into these negative phenomena, are deemed not to be purposeful to date by the republican Supreme Soviet.

Before talking about comprehensive democracy, one should think about whether this democracy is governable, whether you can control the processes, or the processes will control you. That is what is happening in the country, everything has got out of control, all the attempts to create gradual stages and so forth, and to create ethnic accord in some places and to reconcile people, to rouse the kindest feelings and all the rest are failing, because we missed the time for it. We do not want to miss the moment, and we firmly insist that there must be order when there is democracy, too. There is no democracy without order. It is democracy when one's awareness is what dictates a person's actions, isn't it? But where awareness is not yet mature—are you sure that people are equally aware throughout our country?

[Correspondent] There's that, of course.

[Karimov] This being so, how could we extend an identical form of democracy to the whole country? The leaders of the USSR Supreme Soviet who make declarations and talk a lot, what are they thinking about? Can one really compare the awareness of people at the Zil works [in Moscow] or the Kirovskiy Zavod in Leningrad with the awareness of people who live out in the back of beyond?

[Correspondent] (?And there is the question of) declasse elements who take advantage of this.

[Karimov] Quite so. It is with this in mind that I insist, and will continue to insist, that democracy must be governed as well, and that democracy has certain stages. Until it is mature in people's awareness, while we still do not understand what we must not do, that we must not hang about drunk in the streets, simply must not, and not becasue the milita will pick us up and take us to the drying-out station, but because it is indecent, becasue it does not make a man finer, it is later that we will consider that we have grown up to the form of democracy where anything is permitted. The slogan that you can do anything that is not prohibited, this slogan was quite wrong, it has played an enormous negative role in the life of Soviet society. Those who pronounced it should recognize today that this was a big mistake.

[Correspondent] Islam Abduganiyevich, the East is also different from other republics in the good sense, and I like it very much, that here a leader person is always respected. But there is another aspect, there is respect for a person of higher rank.

[Karimov] They respect authority.

[Correspondent] They respect authority. So tell us, you have a Presidential Council. Are you completely certain that people don't say not what corresponds to reality, but what you want to hear?

[Karimov] You have asked a very interesting question. This concerns not just the Presidential Council but all my assistants, the people that I work with. You have asked such a difficult question, an extraordinary one, that it is very difficult to reply to it unambiguously. It is most often the custom here in the East to say what pleases the leader. This is a tradition. Flattery, paying homage to rank, and sometimes it is the possibility, the desire to anticipate, not to divert but to anticipate, to find out the opinion of the leader and then to speak it, all this is there. So, knowing this, I approach specific tasks aware of this.

[Correspondent] But it is a danger, there is great danger here.

[Karimov] But as long as I understand all this and am aware of it....

[Correspondent; interrupting] How do you get out of the situation?

[Karimov] The way out of this, just as you said in a question not so long ago and answered yourself, is the creation of a constructive opposition. That is the very best way out, and a democratic solution. So, an opposition that will defend not some personal interests but convictions, a policy and decision that corresponds to the interests of this or that party, you understand? Not of individuals striving for power, and so forth, no, but an opposition that preaches its own ideas, distinct from the ideas of the ruling party. Such an opposition is, I believe, the best medicine in order for you not to overstep the mark, not to fly too high, not to get diverted and think you are God and tsar and general. So, we have many who reckon—let me say this quite frankly—that once they attain power, they will do what they like. As the Russians say, God, tsar, and general, with no one above them.

So that is the weapon here, there is no other medicine, the only medicine is to create this system of opposition which, cooperating constructively with ruling forces, would at the same time be able to guard against things getting diverted. It will come. There are forces that will take your place. That is the best medicine for any leader.

[Correspondent] Here is another very interesting question. The country is being shaken by disturbances; there was Tbilisi, Baku, Lithuania, the Baltics, and Fergana, too. How have you managed to resolve this issue, for the moment, somehow?

[Karimov] In my view, the main issue in all these events that are today stirring the country up, leading to disturbances in the country in one or another region, is that the right evaluation has to be made. Sometimes we try to camouflage it and to avoid the evil, very difficult issues which have been the true causes of all these disturbances. I repeat once more, until we make the right political and, I would say, economic, truthful assessment of what has happened, and all the motivation behind a disturbance, what caused it, like it or not, if we do not learn to provide the right answers, we will never resolve these problems. I reckon that in Karabakh, Tskhinvali, the Baltics, and Fergana, too—in our republic, it has happened in other regions as well, especially Osh—if we do not provide the political assessment of these issues, we are just occupying ourselves with palliatives.

As for Fergana, I will say the right at the beginning we tried to simply conceal the cause, it is crude, but it is so. It was not a case of strawberries and price hikes and so forth. The main cause was the people's dissatisfaction and the ever worsening life of the people. The people had already lost all faith that people's opinion would ever be heeded in Uzbekistan, and at least some light at the end of the tunnel would be created, so people would be able to see that if not today, at least tomorrow, that there was a way out which would ensure a decent life for all who live in Uzbekistan, both the Uzbeks, first and foremost, and all the others who live there. So, we managed to stabilize all this quickly.

I believe the main thing is that we made the right assessment and did everything possible in order for the people to have faith that we, together with them, with these people, with our people, would do everthing possible to see that everything in our power would be done for the good of the people. I believe that my strength lies precisely in the fact that I do not divorce myself from people, and I will do all I can for this people. There is no other way for me. So I believe that when we started handing out the land, when we started helping the pensioners, raising wages, and helping families with many children, teachers, schoolchildren with their lunches—when we started tackling all these issues, the people began to believe.

Second, evrything national was being discredited and suppressed. That is something you cannot convey on television. We had the Navruz festival, which we had not celebrated for two years, right away. It showed all the breadth of spirit and the depth of character of the Uzbeks, of all local people who live here.

[Correspondent] It was not sensible, so to speak....

[Karimov, interrupting] When it was banned. Everything was banned. Religion was persecuted, mosques were closed down, everything that was national, deeply national, was suppressed, it was mocked, it was discredited. Sometimes this was done in such a way that the deep bow-strings in the life of every person were touched. You, Vitaliy Vianovich, are a Russian. For you Russians, maybe the deep bow-strings that you have inside you do not sound until they are touched by dirty hands. As soon as dirty hands touch them, the Russian in you will certainly start talking rashly.

[Correspondent] Well, I am a Russian, but I swear to you that I very much want Uzbeks to live well.

[Karimov] I will explain in a moment.

[Correspondent] You know, on the one hand it seems to be a very rich republic, and on the other hand, we have visited villages and seen a condition of poverty which you could barely call human living conditions.

[Karimov] I would like to tie this all together. You understand, when I am talking about material things, that is one matter; but there is also spiritual poverty, a restriction of people's spiritual lives. That is most important, in my opinion. One can create everything, one can provide food, bread, and meat, but that is not the main thing, but a man's soul. The main thing in a person is the morals, the main thing about a person is spiritual, and I would say ethnic things are most important. All this talk, these appeals about national things, about this that and the other, this will all remain talk. You have to respect national feeling. You have to see the ethnic side of a person. If you don't see his ethnic side, you insult him. Here we have done everything possible to insult the deeply ethnic side of a person, and that was the main tragedy. [passage omitted]

[Correspondent] Islam Abduganiyevich, on the one hand there is a very rich republic, on the other hand, we have visited villages and seen how people live and, I don't know, it would be very hard to call the living conditions human. Do you have any clear and definite program to help the people so that the republic really stands on its feet?

[Karimov] To follow the classical method of analysis, that is, to define first of all why we ended up in such a position, and then say who is to blame, and third what needs to be done to escape from this crisis—if we follow this logic we will provide a complete answer to your question.

First of all, I would like to say that I agree completely with you that Uzbekistan is very rich region, processing everything necessary to create out of this republic a state which would be able to ensure a decent life for its people. Right from the start, even in the very first days of Soviet power, I would be so bold as to say that the republic and Central Asia as such, have been seen as a source of resources. We have always been an appendage supplying raw materials, and to this day we remain an appendage supplying raw materials for our other republics. This can be supported with specific figures. It is elementary. If you take our main resources; cotton, 91 percent is exported; if you take karakul wool, it is also exported in the same proportions; we provide 66 percent of the country's natural silk.

That is, while developing what the center needed, they completely forgot that the needs of our republic, the needs of the people, also need to be met. For instance, they told us, they always told us, remember, from the first years of Soviet power, in the twenties and thirties the slogan was set about the country's self-sufficiency in cotton. Uzbekistan fulfilled this. But fulfilled it at what cost? Everything was plowed up. We didn't plant cotton on the windowsills or the roof, but everywhere else. We fulfilled it. But they told us: Don't worry, you don't need meat; you don't need milk; you don't need potatoes; you need rice and all that, we will supply you. We have the so-called all-Union division of labor. That existed.

But then the last time that Brezhnev came to visit us he stated: What's this, you are still importing meat? No, you must provide your own. Believe me, I start shaking all over when I start to remember. I spent 20 years traveling around these offices. I saw it. I go and see an illiterate person, (?he has seen Uzbekistan on the map all his life), and he asks: How are the melons growing? I tell him: Our children are without clothes; we can't provide them with clothes. What, he would say, should I bring them in from the Baltic republics for you? I could say: Our children are not getting milk. What, should I bring it in from Belorussia for you? Then I ask him: Why do you take our cotton from us? There is no reply to this. So, hypertrophy, one-sidedness in the development of the national economy has led to loss-making throughout the economy, a tendency towards losses in the living standards of the population. We have simply found ourselves in a position where we cannot develop this way any further.

Excuse me, I am going to go off the point a little now, but this is what it's about. They say Uzbekistan is a conservative communist reservation and so forth. But look, we have done more than any other republic. There are some leaders who are very skillful at presentation, but take private property, entrepreneurialism, the formation of businesses run by individuals, and peasant farms. We have already placed about one third of stores and household services into private hands. It's just that we do not shout as loud as some about this, about being the vanguard, the organizers of reform, and so forth, no. So, first we do things, then we say: Come and look.

So, we have people that know how to work; the raw material resources are there; and my program is to bring these two principles together into one. [passage omitted]

[Correspondent] Islam Abduganiyevich, this is the last question in this series of personal questions. Is your job hard?

[Karimov] Very. It is so hard that sometimes you think that the spring which you rely on for inspiration will snap.

[Correspondent] God forbid! I hope not.

[Karimov] You know, I can only repeat a point that's already been made. When you realize that everything depends on yourself personally, you gain the strength to endure, to do what you have to do. But when you feel that all the efforts that you are prepared to make are still not enough to ensure success, things get very hard, because a person can do his utmost if everything depends on him. In such a situation—I'm not now getting into politics; I am forbidden to speak of politics—so I can now say that when not everything depends on me, and I am obliged to do it, it is hard. I am worried most by a feeling of dissatisfaction, that I am....

[Correspnodent, interrupting] Powerless?

[Karimov] Of powerlessness, that's exactly it. The fact that I know that this needs to be done, but it isn't in my power. This torments me; it gets me down; and I am afraid that it will wear me down completely in the end. [passage omitted]

IZVESTIYA Interviews Kyrgyzstan's Akayev

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[Interview with Askar Akayev, president of the Republic of Kyrgyzstan, by correspondent Nikolay Andreyev; no place or date of interview given: "To Give Man His Freedom"]

[Text] [Andreyev] Askar Akayevich, you are a newcomer to politics. How do you perceive power?

[Akayev] Prior to my election I was an academic, and power was just an abstract idea for me at the time. Even though I was in charge of a department, then vice president and later president of the republic's Academy of Sciences. I seemed to be performing administrative functions, but the scientific community also had elections and democracy. Matters are different here. The notion of power in a scientific collective is completely different from actual power on statewide scale.

When I was elected president, I quickly realized: In order to implement any programs, be they economic or political, you must have a power structure that is real, effective, and flexible but also capable of becoming tough whenever necessary. The creation of such a structure became one of my main tasks.

When I took over as president of the republic, I immediately set three tasks which were backed by the Supreme Soviet. First: To attain civic accord, national accord, peace, and tranquility in the republic. All the rest would be useless without this. Second: To create an efficient system of state power. And third: To strengthen the law enforcement organs. We will find it hard to take any actions without strengthening order and public discipline, without observing legality. Man must be assured of his security, and he can then get involved and interested in the ideas of economic and political reforms.

Transformations were effected at all levels of power. I think I am right in saying that we were the first in the country to adopt a Law on Local Self-Management, which clearly demarcates the spheres of state and municipal power. We reorganized the soviets' leadership structure by abolishing their executive committees. Both legislative and executive power were concentrated in the soviet chairman's hands. Prior to that we had dual, triple, and even multiple power, and the leaders were engaged in a struggle for leadership.

My influence as president now extends down to oblast level. Oblast soviet chairmen are elected by oblast soviet sessions but must be confirmed by me. The latest

Supreme Soviet session adopted a decision to extend the line of subordination to the president down to rayon level.

[Andreyev] But this means that you will interfere in rayon affairs and will infringe the oblast's rights. Why do you need this?

[Akayev] Look at the situations which develop. As soon as the deputies gave me the right to confirm or dismiss oblast soviet chairmen, I exercised it at once. You know about last year's tragic events in Osh Oblast. Despite the fact that the oblast soviet chairman was to blame for this tragedy, he was unwilling to depart voluntarily. I issued a decree to dismiss him as soon as I was given the right.

Unfortunately, parochial and group interests operate occasionally at rayon level. Many rayon soviets are headed by people who cannot cope with the work, and oblast leaders are unwilling to dismiss them, their interests are often intertwined. This calls for a vertical structure of presidential influence right down to rayon level.

[Andreyev] Do you have an opposition?

[Akayev] Of course! I treat it normally. Even back in the academic world I learned that there must always be an opponent. Unless there is an opponent, competitiveness and rivalry disappear, the desire to always come out on top is dulled. You must be prepared to struggle and defeat your opponent. In an honest argument, of course.

[Andreyev] And what about your mutual relations with party structures?

[Akayev] You obviously mean not just the Communist Party. I strive to maintain a constant dialogue with all the parties, sociopolitical forces, and movements existing in the republic. This is the basis of peace and accord. There is no need to confront anyone, to denounce anyone, to tag labels on anyone. It is necessary to understand everyone and do everything to motivate others by means of your ideas and actions. The leader of our republic's Communist Party and the leader of the "Kyrgyzstan" democratic movement are both on the Presidential Council. This makes it possible to maintain equilibrium in the sociopolitical situation.

[Andreyev] Evidently, accord in your republic also depends on the sociopolitical situation in the country.

[Akayev] Yes, Kyrgyzstan is a tiny republic and everything that happens in the vast country has a painful effect on it. In this context, I find the Statement by the Ten which was adopted at the end of April a very encouraging document. It is capable of stabilizing the situation throughout the country.

It seems to me that a major breakthrough was achieved at the Novo-Ogarevo meeting. Let us recall that, some time ago, Gorbachev was actually the first to propose the structure of a renewed Union implying a union of sovereign republics. Later on, however, whether under pressure by the country's Supreme Soviet or under the influence of the party's conservative wing, he bypassed this question in silence. The republics' leaders kept asking him at Federation Council sittings: Mikhail Sergeyevich, do you confirm your recognition of the republics' sovereignty? But Gorbachev kept evading a direct answer. At the Novo-Ogarevo meeting, however, he said unambiguously: Yes, I declare that I stand firmly on the position that the future Union must be a union of equal sovereign states. States! This is a serious compromise on Gorbachev's part.

Generally speaking, all participants in the meeting compromised, including Yeltsin. True enough, afterwards some people started accusing him of making unjustified compromises. But I think that this accord was a document which Russia needed as well. Both Gorbachev and Yeltsin need cooperation. The republics' leaders were pleased at having succeeded in reconciling the two leaders' positions.

But this is the main point I would like to mention: This was the first time I felt gratified by a meeting between the leaders of Union republics and the country's president. Normally we came together at Federation Council sittings, spent a long time on stubborn discussions of various issues, but rarely arrived at any tangible result. On this occasion we were gratified by the fact that we arrived at a compromise agreement on all basic questions. The important point is that the document was developed right there at the meeting, each one made his own contribution although the basic ideas were of course formulated by Gorbachev. There is no ambiguity in the document. Prior to this, the draft was usually prepared by apparatus officials and the document's contents were often pompously worded and capable of variant interpretations.

[Andreyev] On what basis do you build your mutual relations with other republics?

[Akayev] On the basis of equal partnership. During my first six months as president I have become closely acquainted with Nursultan Nazarbayev, Islam Karimov, and Leonid Kravchuk. I treat them with respect, they are major and experienced politicians. We have signed interstate treaties with Kazakhstan and the Ukraine. The next in line for signatures are identical documents with Belorussia and Turkmenia. The treaty with Uzbekistan is especially important for us, and we would like it to help ease the tension which developed between our peoples in the wake of the Osh Oblast events, to help eliminate mistrust.

Of course, major work is being done to maintain and organize economic relations. Everyone is now seeking foreign capital and investment, striving to create joint enterprises with foreign partners. We have taken a different path—we are trying to create joint enterprises with intra-Union partners. For example, we have the richest basalt deposits, and I know that Ukrainian scientists have developed technology for the processing of basalt products, making it possible to obtain a series of elements which are in short supply all over the world. And so we have agreed: The Ukrainians will build the enterprise investing their own capital, and we will enjoy the fruits together.

[Andreyev] Let us turn to mutual relations between nationalities. I was present at your meeting with young people, when one of the speakers, representing students from Osh, voiced the following complaint: Why is it that the republic's trade network is staffed mainly by Uzbeks? Here you have a readymade cause of nationality clashes.

[Akayev] I have always been against the passion for percentages in nationality relations. The party leadership used hundredths of one percentage point to calculate what proportion of representatives of different nationalities is to be found where—in the trade network, in agriculture, among industrial leaders, and so on. There is—and this is unavoidable—a historically prevailing leaning toward certain vocations. Each people finds its niche in the economy, and there is no need to struggle against this, it must be utilized in the interests of the whole people. But this does not mean that a vocational sphere is ordained for ever for each people. Each one must have the right to exercise any vocation.

My apparatus comprises mainly newcomers, energetic and conscientious people. When I was selecting them I paid no attention to their nationality. The main selection criterion was that person's professionalism and competence. And it so happened that the republic's leadership adequately represents Kyrgyzstan's national composition—it is a kind of cabinet of national accord, which also eases interethnic tension to a certain extent.

[Andreyev] Your republic does not have strikes or mass demonstrations. Are there no causes?

[Akayev] There are more than enough causes. But we are trying to anticipate. For example, an explosion was building up among the working class, strike committees were organized. I promulgated a series of decrees to give social support to the workers. We helped the children. We helped the students and paid them compensation for food costs. I regularly meet representatives of various social strata and leaders of various movements and sociopolitical forces. These meetings pave the way to mutual understanding.

For example, the workers demanded a long-term program from me. I told them: Getting down to discussions about long-term prospects is simply a waste of time at present. People here have gotten accustomed to this: What are the prospects for the next five or 10 years, through the year 2000? The Supreme Soviet also demanded a long-term program from me. I convinced them that this is not the president's main worry presently. We must produce rapid reaction measures now. We need individual economic actions to meet urgent needs.

[Andreyev] What economic views do you support?

[Akayev] I am certainly in favor of the market. But I am against leaps, against a determined spurt toward market relations.

You know, I have been a supporter of market relations ever since my student years. I had a technical education, with hardly anything to do with economics or political economy. But I was attracted by economic studies. While a student, I was perturbed by the fact that Adam Smith's ideas were being rejected as those of a bourgeois economist. I liked his ideas. I realized that they are realistic, more fruitful and more productive for our time than Karl Marx's ideas. And actually in the economic sphere. Adam Smith formulates everything precisely, clearly, and simply: Incentive, rather than edict or order, is the main productive force. He said that, in line with this, man must be given his freedom. Economic freedom, political freedom, the freedom of choice.

This is why I am a committed supporter of a market economy. But our republic is not ready for a swift transition to the market either structurally or technologically, we also lack the cadres. This is why I advocate a smooth transition to the market.

What is the essence of the rapid reaction measures? First: We have given priority to agriculture. Two of its key spheres—sheep breeding and tobacco growing—enjoy most favored status. We are seeking opportunities to reconstruct the light industry to improve the situation regarding goods. There is a likelihood of establishing ties with South Korea, acquiring investment funds there, and effecting the technical and technological reconstruction of light industry enterprises with help from its specialists.

[Andreyev] The words "socialist" and "soviet" have been deleted from the republic's official name....

[Akayev] We all carried an ideological burden in the past. My principled stance is that we must separate the economy from ideology. We cannot adopt halfhearted decisions, sticking to ideology in one sphere and doing away with it in another. Since we have embarked on changes, it is necessary to abandon the ideological paths and move forward. We engaged in major debates with the former party leadership on this question. They accused me of apostasy from socialism. I said to them: What sort of socialism have we built? A socialism which is distinguished by three features: State ownership which has debilitated the economy and led to stagnation. Second, uniform Marxist-Leninist ideology which has swept aside all dissidence and diversity of opinions. Third, dictatorship by the party, dictatorship by the leader [vozhd]. This is what we have built—a totalitarian socialism which has discredited the wonderful socialist ideals. It is not for us.

As for the adjective "Soviet," the country in general and our republic in particular have reorganized the system of state power and it now has little in common with the Soviet system according to our traditional understanding of it. Our local soviets are not state but municipal authorities. In essence, ours is a democratic republic and therefore we styled it simply the Republic of Kyrgyzstan.